

1
2 BEFORE THE
3 ILLINOIS COMMERCE COMMISSION

4 IN THE MATTER OF:)

5 SPRINTCOM, INC., WIRELESS,)
6 L.P., NPCR, INC., d/b/a)
7 NEXTEL PARTNERS AND NEXTEL)
8 WEST CORP.) No. 12-0550

9 Petition for Arbitration)
10 Pursuant to Section 252(b))
11 of the Telecommunications Act of)
12 1996 to Establish an)
13 Interconnection Agreement with)
14 Illinois Bell Telephone Company)

Chicago, Illinois

February 27, 2013

Met, pursuant to adjournment, at 9:00 a.m.

15 BEFORE:

16 Ms. Heather Jorgenson, Administrative Law Judge
17 Ms. Leslie Haynes, Administrative Law Judge

18 APPEARANCES:

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APPEARANCES:

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I N D E X

	Re	Re	By
WITNESSES:	Direct	Cross	Direct Cross Examiner
Patricia Pellerin			
	339	345	479 483
Carl C. Albright	486	617	621
			629
William E. Greenlaw			
	631	636	
		673	678

	E X H I B I T S		
	NUMBER	MARKED FOR ID	IN EVIDENCE
1			
2			
3	AT&T Exhibit		
	#1.0 w/ Attachments	PHP-1 - PHP-2	
4	#1.1 w/ Attachments	PHP-3 - PHP-6	
		345	345
5			
	#2.0 w/ Schedules	CCA-1 - CCA-6	
6	#2.1 w/ Schedules	CCA-7 - CCA-8	
		490	490
7			
	#3.0		
8	#3.1		
		636	636
9			
	AT&T Cross Exhibit		
10	#2		338
11	Sprint Cross Exhibit		
	#5	373	473
12	#6	378	473
	#7	390	
13	#8	398	
	#9	413	
14	#10	463	
	#11	466	
15	#12	526	
	#13	573	575
16			
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1 JUDGE HAYNES: Pursuant to the direction of the
2 Illinois Commerce Commission I now call Docket
3 12-0550. This is SprintCom, Inc., WirelessCo, L.P.
4 NPCR, Inc. d/b/a Nextel Partners and Nextel West
5 Corporation, Petition for Arbitration Pursuant to
6 Section 252(b) of the Telecommunications Act of 1996
7 to Establish an Interconnection Agreement with
8 Illinois Bell Telephone Company.

9 May I have the appearances for the
10 record, please?

11 MR. RASHES: Good morning, your Honor. Haran
12 C. Rashes of the law firm of Clark Hill, P.L.C., 212
13 East Grand River Avenue, Lansing, Michigan 48906 on
14 behalf of the various Sprint Companies.

15 MR. SCHIFMAN: And Ken Schifman, Jeff Pfaff and
16 Joe Chiarelli all with Sprint at 6450 Sprint Parkway,
17 Overland Park, Kansas 62251.

18 MR. ANDERSON: On behalf of AT&T Illinois, Karl
19 Anderson and Mark Ortlieb, 225 West 425D, Chicago,
20 Illinois 60606.

21 MS. SWAN: On behalf of Staff of the Illinois
22 Commerce Commission, Kimberly Swan, Michael Lannon

1 and Christine Ericson, 160 North LaSalle Street,
2 Suite C-800, Chicago, Illinois 60601.

3 JUDGE HAYNES: Thank you. I understand that
4 AT&T has an exhibit they want to introduce?

5 MR. ANDERSON: Yes. I have had marked for
6 identification as AT&T Illinois Cross Exhibit 2 a
7 copy of the complete agreement as amended between
8 AT&T Illinois and Sprint Wireless. That was
9 discussed during cross-examination on the record
10 yesterday, and I have made those copies available to
11 the court reporter, and I would move for their
12 admission into the record or its admission into the
13 record.

14 JUDGE HAYNES: Is there any objection?

15 MR. CHIARELLI: No objection.

16 MS. SWAN: No objection.

17 JUDGE HAYNES: Okay. AT&T Cross Exhibit No. 2
18 is admitted into the record.

19 (Whereupon, AT&T Cross Exhibit
20 No. 2 admitted into evidence.)

21 JUDGE HAYNES: Let's begin. Who is up first?

22 MR. ANDERSON: Our first witness this morning

1 will be Patricia Pellerin.

2 (Whereupon, the witness was duly
3 sworn.)

4 PATRICIA PELLERIN,
5 having been first duly sworn, was examined and
6 testified as follows:

7 DIRECT EXAMINATION

8 BY MR. ANDERSON:

9 Q. Good morning.

10 A. Good morning.

11 Q. Could you please state your full name and
12 business address for the record?

13 A. Patricia H. Pellerin, 1441 North Colony
14 Road, Meriden, Connecticut 06450.

15 Q. And would you please state by whom you are
16 employed and in what position?

17 A. I am employed by AT&T Services, Inc. as
18 Associate Director, Wholesale Regulatory Support.

19 Q. And in the course of your duties did you
20 cause certain direct testimony to be prepared for
21 purposes of this proceeding?

22 A. Yes.

1 Q. I will refer you to an exhibit entitled
2 "Direct Testimony of Patricia H. Pellerin,"
3 identified as AT&T Illinois Exhibit 1.0 along with
4 the two schedules, PHP-1 and PHP-2, attached to that
5 testimony and ask if that is a copy of the direct
6 testimony which you caused to be prepared.

7 A. Yes, it is.

8 Q. Do you have any corrections to that
9 testimony which you would like to note for the record
10 today?

11 A. Yes, I do. I have two. The first one is
12 on Page 2 at Line 40. After the No. 49 please
13 insert -- add "70."

14 MR. CHIARELLI: Insert 70?

15 THE WITNESS: 70, 7-0, yes, and on Page 62,
16 Line 1444 at the end of that line, change "4.10.3.1"
17 to "4.10.3."

18 BY MR. ANDERSON:

19 Q. Thank you. And is the testimony contained
20 in AT&T Illinois Exhibit 1.0 with the corrections you
21 have noted true and correct to the best of your
22 knowledge?

1 A. Yes.

2 Q. Did you also cause certain rebuttal
3 testimony to be prepared?

4 A. Yes, I did.

5 Q. Now, I will refer you to an exhibit, which
6 is entitled, "Rebuttal Testimony of Patricia H.
7 Pellerin," marked for identification as AT&T Illinois
8 Exhibit 1.0 along with Schedules PHP-3 through PHP-6
9 and ask if this is a copy of the rebuttal testimony
10 which you caused to be prepared?

11 A. I would just clarify that it's marked as
12 Exhibit 1.1, and then the answer is yes.

13 Q. Thank you. Do you have any corrections
14 that you wish to note on this testimony?

15 A. Yes, I do have several.

16 Q. Okay. And just for the convenience of the
17 parties I did have distributed this morning pages
18 with the corrections that Ms. Pellerin intends to
19 identify so that you can follow along.

20 A. Okay. On the cover page after the No. 49,
21 add "70," 7-0. On Page 1, Line 18 after the No. 49
22 at the beginning of the line, add, "and 70," 7-0. On

1 Page 7, Line 152 at the end of the line change
2 "3.8.2" to "3.8.2.3." On the same page in Footnote
3 15 change "3.8.2" to "3.8.2.3". On Page 8, Line 160
4 again change "3.8.2" to "3.8.2.3", and the same
5 correction on Page 13, Line 292, change "3.8.2" to
6 "3.8.2.3." On Page 108 in Footnote 122 delete the
7 word "bold".

8 On Page 110 on Line 2880 change the
9 word "two," T-W-O, to "three," and finally on Page
10 111 insert beginning at Line 2902 -- between 2901 and
11 2902 insert "Finally, the following agreed language
12 that appears at the bottom of the pricing attachment
13 should be placed at the end of Section 4.2.1 of
14 Attachment 5, 911/E911: Facility rates can be found
15 in the state special access tariff." And that is
16 all.

17 Q. And with those changes is the testimony
18 contained in AT&T Illinois Exhibit 1.1 and its
19 attachments true and correct to the best of your
20 knowledge?

21 A. Yes, it is.

22 MR. ANDERSON: Just I will note for the record

1 that Ms. Pellerin I noticed identified one change on
2 Page 1 which was not included in the material that
3 was distributed, but if it's the ALJ's desire, we
4 will file a corrected version of Ms. Pellerin's
5 rebuttal testimony with all the changes that she
6 mentioned.

7 JUDGE HAYNES: Yes, that would be appreciated.
8 So then we will call it AT&T Exhibit 1.1 Corrected,
9 and will you get that filed today or tomorrow?

10 MR. ANDERSON: Yes.

11 JUDGE HAYNES: Okay.

12 MR. ANDERSON: With that I would move for the
13 admission into evidence of AT&T Illinois Exhibits 1.1
14 and -- I'm sorry -- 1.0, Ms. Pellerin's direct
15 testimony and 1.1, Ms. Pellerin's rebuttal testimony.

16 MR. CHIARELLI: One minor objection. It's just
17 a clarification. Did you indicate that there is a
18 change on Page 1 that she did not identify?

19 MR. ANDERSON: No. She identified it. I did
20 not copy -- the page with that change did not get
21 included in the material.

22 MR. CHIARELLI: Okay. I appreciate it. No

1 objection.

2 MR. ANDERSON: Thank you.

3 JUDGE HAYNES: So the direct testimony was
4 filed on December 5th?

5 MR. ANDERSON: Yes.

6 JUDGE HAYNES: On e-Docket?

7 MR. ANDERSON: Yes.

8 JUDGE HAYNES: So the attachment to her
9 rebuttal was filed on February 13th and you will just
10 be refiling the rebuttal testimony, correct?

11 MR. ANDERSON: Yes. We will be refiling the
12 rebuttal testimony. I guess I will ask you your
13 preference. Would you like us to refile the
14 schedules that go with it at the same time?

15 JUDGE HAYNES: No. That's fine. It's just for
16 the record so the Clerk's Office knows which date to
17 go pick it from. That's fine. So the direct and
18 Exhibits 1.0 and PHP-1 and PHP-2 as filed on e-Docket
19 on December 5th are admitted into the record. Ms.
20 Pellerin's rebuttal testimony, AT&T Exhibit 1.1
21 Corrected will be late filed on e-Docket, and PHP-3
22 through PHP-6 as filed on e-Docket on February 13th

1 are admitted into the record.

2 (Whereupon, AT&T Exhibit 1.0
3 with attachments PHP-1 to PHP-2
4 and Exhibit 1.1 Corrected with
5 attachments PHP-3 to PHP-6 were
6 marked for identification and
7 admitted into evidence.)

8 MR. ANDERSON: Thank you very much, your Honor.

9 JUDGE HAYNES: Thank you.

10 MR. ANDERSON: Ms. Pellerin is now available
11 for cross-examination.

12 CROSS-EXAMINATION

13 BY MR. CHIARELLI:

14 Q. I believe Mr. Anderson asked and you
15 answered you are employed by AT&T Services, Inc.; is
16 that right?

17 A. Yes.

18 Q. And I notice in your testimony at Line 9 it
19 says you are employed by the Southern New England
20 Telephone Company, d/b/a AT&T Connecticut, which
21 provides services for --

22 JUDGE HAYNES: Can you make sure and speak into

1 your microphone?

2 BY MR. CHIARELLI:

3 Q. Let me start over. I just want to point
4 your attention to the testimony on Page 1, Line 9
5 through 11, and it looks like it's indicating that
6 you are employed by Southern New England, which
7 provides services on behalf of AT&T Services, Inc.
8 So I am just asking, could you explain -- do you see
9 what my confusion is?

10 A. Sure. The Southern New England Telephone
11 Company was my payroll company for a number of years,
12 and on the first of this year they officially changed
13 my payroll company to AT&T Services, Inc. The work
14 that I have been doing on behalf of Wholesale
15 Regulatory has been on behalf of AT&T Services, Inc.,
16 for a number of years. So it was just a matter of
17 changing the payroll company.

18 Q. And AT&T Services, Inc., is that services
19 provided to all of the AT&T entities; for example,
20 ILEC and Wireless and CLEC, or is it only services
21 provided to the ILEC?

22 A. I don't know.

1 Q. Okay. With respect to the functions that
2 you performed, are your functions solely limited or
3 exclusively to the ILEC?

4 A. Yes.

5 Q. And is that all 22 of the ILECs?

6 A. Yes.

7 Q. I want to go through some general questions
8 to make sure we are on the same page, because this
9 stuff can get so confusing, and in particular, I will
10 be referring back to the board there.

11 Have you had an opportunity to look at
12 that when it came in?

13 A. Briefly.

14 Q. Would you agree that carriers do typically
15 connect to AT&T at the AT&T tandem?

16 A. Typically, yes.

17 Q. Okay. And AT&T's end offices are also
18 going to be connected to the AT&T tandem; is that a
19 fair statement?

20 A. There are groupings of end offices that are
21 subtending a particular tandem. Each tandem has its
22 own group of end offices.

1 Q. Got you. And are the AT&T end offices
2 connected to AT&T end users by the customer loop?

3 A. Yes.

4 Q. And with respect to, for example, the red
5 line, the dotted line, from the Sprint MSC to the
6 Sprint cell tower, would you understand that to be a
7 fair representation of a backhaul circuit?

8 A. That is one example of a backhaul circuit,
9 but it's not the only one.

10 Q. Agreed.

11 A. Okay.

12 Q. And do you understand that that circuit is
13 used on a dedicated basis for that purpose?

14 A. I can't speak to how Sprint would actually
15 use it.

16 Q. Do you know whether it's a switched
17 circuit?

18 A. It's not switched by AT&T.

19 Q. Correct.

20 A. At least not in the example you have on the
21 board.

22 Q. Do you know of any example where AT&T would

1 switch a backhaul circuit?

2 A. Yes.

3 Q. Can you give that example?

4 A. I would use a transit call as an example of
5 a backhaul circuit that was not -- I'm sorry -- that
6 was switched by AT&T.

7 Q. So it's your testimony that a transit call
8 is a backhaul call?

9 A. Yes.

10 Q. Did you testify to that anyplace in your
11 testimony prior to today?

12 A. No, I did not. I provided the most common
13 example of a backhaul, which is as you have got on
14 the board.

15 Q. Okay. I want to show you Mr. Albright's
16 CC -- Schedule CCA-9. Do you recognize that?

17 A. I have never seen it.

18 Q. You didn't review Mr. Albright's testimony
19 at all?

20 A. I did not review his exhibits at all, no.

21 Q. Okay. Would you agree that not only
22 Sprint, but other carriers also connect to the AT&T

1 tandem, and just, for example, like what we have
2 depicted here, you know, RLECs or IXC's or other
3 wireless carriers and other CLECs; is that pretty
4 common?

5 A. It's common that multiple carriers are
6 connected to an AT&T tandem, yes.

7 MR. ANDERSON: Can I interrupt for a moment?

8 MR. CHIARELLI: Sure.

9 MR. ANDERSON: Are you going to have many more
10 questions on this chart?

11 MR. CHIARELLI: The one that I have here?

12 MR. ANDERSON: Right. Is that the same as the
13 exhibit that --

14 MR. CHIARELLI: Absolutely.

15 MR. ANDERSON: Do you have a copy of that,
16 because I left mine back at the office.

17 JUDGE HAYNES: And for the record, this is
18 Sprint Redirect Exhibit 1.

19 MR. ANDERSON: Thanks.

20 BY MR. CHIARELLI:

21 Q. Would you agree that those -- each of those
22 carriers that are interconnected -- that are

1 connected to the AT&T tandem, those carriers'
2 switches themselves represent points on the public
3 switched telephone network?

4 A. I don't know.

5 Q. You don't know?

6 A. No.

7 Q. And it is your -- do you have a working
8 understanding of the public switched telephone
9 network?

10 A. The only reason that I am hesitating is
11 that I have seen in some contexts where the public
12 switched telephone network is referring to the ILECs
13 network, and when you are interconnecting with other
14 carriers, I don't know whether that's considered
15 PSTN -- all caps -- or not.

16 Q. Now, the parties do agree that AT&T is not
17 required to price the backhaul facility that's
18 represented by the dashed line at cost-based TELRIC
19 rates; fair statement?

20 A. Yes.

21 Q. Okay. But what the parties have the
22 fundamental dispute over is regarding what type of

1 traffic can be exchanged between the parties'
2 networks over the facility that's represented by the
3 dotted line between the Sprint MSC and the AT&T
4 tandem; is that a fair statement -- blue dotted line?

5 A. To the extent that the blue dotted line
6 specifically represents 251(c)(2) interconnection,
7 there is a dispute. I think there is two disputes;
8 one as to what constitutes Section 251(c)(2)
9 interconnection, and the other, then what traffic is
10 eligible to ride over those facilities.

11 Q. Correct. And is it a fair summary of
12 AT&T's position that in AT&T's view if Sprint wants
13 to pay TELRIC-based rates for that facility
14 represented by that dotted line, the only traffic
15 that can be exchanged over the facility is traffic
16 that is intraMTA traffic and that intraMTA traffic
17 must be originated and terminated between a Sprint
18 end user and an AT&T end user?

19 A. I would clarify that, if I may. That is
20 certainly the primary purpose. AT&T has not proposed
21 language that would limit Sprint's ability to use
22 that facility for transit traffic between Sprint, for

1 example, and a CLEC that was interconnected on the
2 other side of a -- of AT&T's switch.

3 Q. So to --

4 A. I -- personally, I don't -- I do not
5 believe that transit traffic constitutes Section
6 251(c)(2) interconnection; however, AT&T's language
7 would allow it.

8 Q. Well, when you say allow it, it would allow
9 it and still let Sprint get TELRIC based pricing,
10 correct?

11 A. Yes. AT&T has not required Sprint or
12 proposed to require Sprint to separate out that
13 traffic.

14 Q. Would you agree that when Sprint delivers a
15 call to the AT&T tandem, the tandem switching and
16 routing functionality of AT&T's tandem enables Sprint
17 to exchange traffic with another carrier that is also
18 interconnected with the AT&T network at that tandem?

19 A. Yes.

20 Q. Now, I want to talk a little bit about
21 telephone exchange service using this diagram. When
22 AT&T End User No. 1 calls AT&T End User No. 2, and

1 just to help you out there, right here is AT&T End
2 User No. 1.

3 A. Okay.

4 Q. And End User No. 2. Do you see that?

5 A. Yes.

6 Q. And those two callers would be connected by
7 a loop to the AT&T Illinois end office -- is that
8 correct -- separate loops?

9 A. Separate loops, yes.

10 Q. And that end office is going to be
11 connected to the AT&T tandem; is that correct?

12 A. No, not in that example. In that example
13 those two end users are served by the same switch and
14 it would be an intraswitch call. So it would never
15 go out on the trunk.

16 Q. Well, I appreciate what you just said. I
17 am going to go through that. My point is, the end
18 office is connected to the tandem, though, correct,
19 even though --

20 A. Yeah. But you were asking me about End
21 User 1 calling End User 2 --

22 Q. Okay.

1 A. -- which would not go to the tandem.

2 Q. Fair enough. Let me rephrase so the record
3 is clear. End User 1 and End User 2 are connected to
4 the end office via the customer loop, separate
5 customer loops, correct?

6 A. Yes.

7 Q. What -- I'm not talking about the call
8 right now.

9 A. Okay.

10 Q. The end office will be connected to the
11 AT&T access or tandem, correct?

12 A. Yes.

13 Q. All right. Now, with respect to the call
14 itself between End User No. 1 and End User No. 2,
15 that call is going to go to the end office and be
16 switched right back at the end office to the other
17 end user, correct?

18 A. Right. It would be basically a loop
19 cross-connect out to another loop.

20 Q. Correct.

21 A. I shouldn't say cross-connect. It would go
22 through the switch.

1 Q. Through the switch. And you would agree
2 with me that's typical telephone exchange service
3 traffic?

4 A. That's an intraoffice call, yes.

5 Q. Is that a telephone exchange service call?

6 A. Yes.

7 Q. You do know what telephone exchange service
8 means, correct?

9 A. Yes.

10 Q. Now, do you see where we have a separate
11 end office, and we have got two other end users, No.
12 3 and No. 4 connected to the second end office? Do
13 you see that at the bottom?

14 A. Yes.

15 Q. Likewise, when 3 calls 4, that's an
16 intraoffice call. It just goes through the end
17 office, correct?

18 A. Yes.

19 Q. Now, let's say we have got a call of AT&T
20 End User No. 1, and it's going to AT&T End User No.
21 3, and also assume for the sake of this question that
22 the end offices and the tandems are both in the

1 Chicago area. So I am just talking about a local
2 call between End User No. 1 and End User No. 3. Fair
3 enough? Do you understand what I have postulated?

4 A. The only confusion that I have, I
5 understand there is a number of tandems in the
6 Chicago area. That's the extent of my knowledge of
7 how things are laid out in Chicago. I don't know
8 that it would be a local call between tandems.

9 Q. Between any given two tandems?

10 A. Between any two particular tandems, and I
11 also don't know whether there would be sufficient
12 traffic between End Office 1 and End Office 2, that
13 there would be, for example, a high usage trunk group
14 between those end offices. So you have got a very
15 simplistic diagram there.

16 Q. It's very simplistic, but let me ask this
17 question, and that is, you are aware that there is, I
18 believe, at least 13 tandems in the Chicago area; is
19 that fair enough?

20 A. Like I said, I know there is a number of
21 them. I don't know how many.

22 MR. ANDERSON: Okay. Could you explain what

1 you mean by the Chicago area? Are you -- do you mean
2 a specific geographic location?

3 BY MR. CHIARELLI:

4 Q. And we will end up clarifying this with Mr.
5 Albright if we need to, but I -- that's what I will
6 postulate. Assume for the purposes of my question,
7 and we will get it confirmed by Mr. Albright, that
8 there are two AT&T tandems in the same local calling
9 area in Chicago, and they serve different end users,
10 and just accept that for the purposes --

11 A. Okay.

12 Q. -- of the hypothetical question.

13 A. Okay.

14 Q. Okay. When End User No. 1 calls End User
15 No. 3, that call is going to be switched. It's going
16 to ride the loop to the first end office, go to the
17 first tandem, go to the second tandem, go to the
18 second end office and then be switched over to the
19 end user, correct?

20 A. Assuming there are no trunks between End
21 Office 1 and End Office 2 directly, yes.

22 Q. Correct. Now, would you consider that type

1 of call, that call routing, to be telephone exchange
2 service?

3 A. Yes.

4 Q. Now, I want to cover with -- AT&T End User
5 No. 1 calling the Level 3 customer. Let's assume,
6 again, that that's -- you know, they both have
7 switches that are in the same -- serving the same
8 local calling area. The call from AT&T End User No.
9 1 is going to go to the end office, then go to the
10 tandem to which Level 3 is also connected to the
11 Level 3 switch and then to the Level 3 end user. Is
12 that fair?

13 A. And that's a local -- you are talking about
14 a local call?

15 Q. Yes, ma'am.

16 A. Yes.

17 Q. And would you consider that to be telephone
18 exchange service?

19 A. Yes.

20 Q. The same question with respect to if it
21 involves a wireless caller; such as, a wireless call,
22 which would be the T-Mobile example. The exact same

1 situation except instead at Level 3 we are talking
2 about T-Mobile. Would you agree that that's a
3 telephone exchange service call between the AT&T End
4 User No. 1 and the T-Mobile end user?

5 A. It's a local intraMTA call?

6 Q. Yes, ma'am.

7 A. Yes.

8 Q. So that's telephone exchange service?

9 A. Yes.

10 Q. Now, let's talk about the IXC call, and for
11 the sake of discussion let's say it's the -- a New
12 York Time Warner Cable end user, and so on the Time
13 Warner Cable side, the end user has picked an IXC,
14 and the IXC gets the call to the IXC POP in Chicago,
15 and the IXC has Feature Group D to the tandem, and
16 the call then goes to the AT&T End User No. 1. Have
17 you got the call path in mind there?

18 A. Yes.

19 Q. Is that telephone exchange -- is that
20 exchange access in your mind?

21 A. With respect to the AT&T end user?

22 Q. Yes, ma'am.

1 A. Yes.

2 Q. Okay.

3 A. AT&T is providing exchange access to the
4 IXC.

5 Q. Correct. And that IXC, in order to obtain
6 that service, it orders Feature Group D access
7 service out of AT&T's switched access tariff; is that
8 correct?

9 A. Yes.

10 Q. In this call that we just described is AT&T
11 using its tandem switching transmission and routing
12 functionality to provide exchange access service
13 between the third party IXC and the AT&T End User No.
14 1?

15 A. Yes.

16 Q. And AT&T is going to bill the IXC out of
17 its switched access tariff for this tandem switching,
18 transmission and routing, correct?

19 A. Yes.

20 Q. Now, you would agree with me that the
21 connection between a Sprint MSC to an AT&T tandem is
22 a physical linking of the Sprint network to the AT&T

1 network; is that correct?

2 A. Yes.

3 Q. Would you also agree with me that the
4 mirror opposite exists; that being, it also
5 represents the physical linking of the AT&T network
6 to the Sprint network?

7 A. The networks are linked together, yes.

8 Q. Okay. Would you agree with me that the
9 connection of a third party switched to an AT&T
10 tandem such as Tandem No. 1 in the diagram is also
11 the physical linking of that third party switch to
12 the AT&T network?

13 A. Yes.

14 Q. Would you agree with me that the physical
15 linking of the Sprint network to an AT&T tandem and
16 the physical linking of a third party network to the
17 same AT&T tandem enables Sprint to send traffic to
18 the third party network via the AT&T tandem?

19 A. Providing the routing is the place to do
20 that, yes.

21 Q. And is it technically feasible to do that?

22 A. Yes.

1 Q. And those physical links also enable third
2 party networks to send traffic to the Sprint network
3 via the AT&T tandem, correct?

4 A. Again, assuming the routing is in place,
5 yes.

6 Q. And when that routing is in place, both
7 Sprint and a third party are respectively using the
8 AT&T switching and routing functionality to mutually
9 exchange traffic between points on the PSTN; is that
10 a fair statement?

11 A. Yes.

12 Q. And AT&T, would you agree, uses the same
13 tandem facility at Tandem No. 1 to exchange a call
14 between Sprint and a third party network via Tandem
15 No. 1 that AT&T would use to exchange a call between
16 an AT&T end user and the third party network that's
17 also connected to Tandem No. 1?

18 A. I think so.

19 MR. ANDERSON: Can I have the question read
20 back?

21 (Whereupon, the record was read
22 as requested.)

1 MR. CHIARELLI: That was not what I intended if
2 the word "facility" came out instead of functionality
3 so I want to retract that and actually restate the
4 question.

5 JUDGE HAYNES: Okay.

6 BY MR. CHIARELLI:

7 Q. Would you agree that AT&T uses the same
8 tandem functionality at Tandem No. 1 to exchange a
9 call between Sprint and the third party network via
10 Tandem No. 1 that AT&T uses to exchange a call
11 between an end user and the third party network
12 that's attached to Tandem No. 1?

13 A. As far as I know, the tandem switch
14 functionality is the same in both examples.

15 Q. Thank you. Would you agree with me that
16 the term "end user" does not appear anywhere in
17 Section 251(c)(2) of the Telecommunications Act?

18 A. It does not.

19 Q. Would you agree with me that the term "end
20 user" does not appear anywhere in the FCC Rule 51.5
21 definition of interconnection?

22 A. I would agree.

1 Q. Would you agree with me that the term "end
2 user" does not appear anywhere in the FCC Rule
3 51.305, which is entitled "interconnection"?

4 A. Not without looking at it.

5 MR. ANDERSON: Do you have a copy of that
6 available?

7 THE WITNESS: I may. Which rule?

8 BY MR. CHIARELLI:

9 Q. 51.305. We have got a copy if you need it.

10 A. I have it. I would agree that that
11 regulation does not use the term "end user."

12 Q. Can I ask what is that document that --
13 that booklet that you have in front of you?

14 A. This is my backup book. It has some of the
15 regulations. It has my direct and my rebuttal
16 testimony, the -- some discovery responses.

17 Q. Fair enough. Do you recall testifying in
18 the -- in 2009 in the Connecticut PUC, Reciprocal
19 Compensation Docket 09-04-21 and the Transit Traffic
20 Docket No. 08 -- yes -- 08-12-04?

21 A. I remember that I did.

22 Q. Do you recall making the exact same

1 argument in the Connecticut proceedings to the effect
2 that AT&T is not obligated by Section 251(c)(2) of
3 the Act to provide transit because transit did not
4 involve any mutual exchange of traffic involving AT&T
5 and the transit call is only the mutual exchange of
6 traffic between the two carriers on either end of the
7 call?

8 A. I don't remember saying that, but I will
9 accept that I did because that's what I believe.

10 Q. And do you recall that both the Connecticut
11 PUC and the federal district court on appeal rejected
12 AT&T's view that interconnection under 251(c)(2) is
13 only the mutual exchange of traffic between AT&T and
14 one other carrier?

15 MR. ANDERSON: Can I have a clarification for
16 the record? You mentioned a federal court on appeal.
17 Could you be more specific? And just that -- you are
18 talking about the federal district court on appeal?

19 MR. CHIARELLI: Yeah. I'm sorry. Did I say
20 court of appeal?

21 MR. ANDERSON: No. You just said court. I
22 just wanted a clarification.

1 BY MR. CHIARELLI:

2 Q. I will clarify. The federal district
3 court.

4 A. I am aware that the district court upheld
5 the DPUC's decision. It is currently on appeal
6 before the second circuit court of appeals.

7 Q. Do you recall in so doing that it expressly
8 rejected AT&T's interpretation based upon the express
9 language -- or based upon the language of the Act and
10 the rules?

11 MR. ANDERSON: Now, are you referring to the
12 Commission or the Court in your question?

13 BY MR. CHIARELLI:

14 Q. I will say both of them.

15 A. I don't remember the specifics of the
16 orders. I do recall that the Commission found that
17 transit did qualify as 251(c)(2) interconnection. I
18 recall that the district court upheld that, and I
19 recall that it is currently awaiting decision at the
20 second circuit on appeal.

21 Q. But you have no independent recollection
22 that the central argument that you made in that case

1 was rejected?

2 MR. ANDERSON: I'm going to -- it's asked and
3 answered, argumentative. She has explained her
4 understanding of what the orders did, and the orders
5 speak for themselves.

6 JUDGE HAYNES: It was asked and answered, yes.

7 BY MR. CHIARELLI:

8 Q. I will turn your attention now and talk
9 about equal access.

10 Now, it's AT&T's position that it is
11 not required to provide TELRIC based 251(c)(2)
12 facilities for equal access traffic. Is that fair to
13 say? Sprint cannot either transmit or receive in
14 either direction equal access traffic over a
15 251(c)(2) facility and get TELRIC based rates; is
16 that AT&T's position?

17 A. I don't think we have equal access traffic
18 defined. I would agree that interMTA traffic is not
19 eligible for Section 251(c)(2) interconnection.

20 Q. So are you saying you use the term "equal
21 access" in the contract, but it's not defined?

22 MR. ANDERSON: I'm sorry. Do you have a

1 specific reference that you are pointing to? I think
2 you asked her about equal access service or traffic?

3 BY MR. CHIARELLI:

4 Q. Let me ask you; when you use the term
5 "equal access," what do you understand that term to
6 mean?

7 MR. ANDERSON: And can you point to a specific
8 point in her testimony where she uses that term so we
9 can have the context for that?

10 MR. CHIARELLI: I want to understand her
11 general understanding of the use of the word itself?

12 JUDGE HAYNES: It's a fair question to ask her
13 what her understanding is of that term.

14 BY THE WITNESS:

15 A. I need some context, because equal access
16 is a term used in a lot of different ways. You know
17 as well as I do that Sprint does not have the
18 traditional "equal access" obligations in terms of
19 allowing their end users to select any interexchange
20 carrier that they want; whereas, the ILECs and CLECs
21 do have that obligation on a wireline network. So
22 that's one way of terming equal access. That's not

1 the way it's used in the agreement. So that's why I
2 am looking for context.

3 BY MR. CHIARELLI:

4 Q. This is going to be, I believe, Issue 19
5 and Issue 20. Okay. Can you look on the DPL that
6 you said that you have?

7 A. Yes.

8 Q. Do you see -- it's Issue 20. AT&T's
9 proposed language, Section 3.4, "Sprint is solely
10 responsible including financially for the facilities
11 that carry E911 or equal access trunk groups." Do
12 you see that?

13 A. Yes.

14 Q. What is your understanding of the term
15 "equal access" as AT&T uses it in this contract?

16 A. Okay. I would have to go back and look at
17 the contract. Okay. In Attachment 2, Section 4.2.4,
18 while there is some language that's in dispute there,
19 the parties do agree that an equal access trunk group
20 provides a trunk side connection between Sprint's
21 network and an AT&T Illinois access tandem.

22 Q. What was that section you were referring

1 to?

2 A. Attachment 2, Section 4.2.4 and then there
3 is a sentence where there is a dispute, and then this
4 trunk group requires an interface utilizing equal
5 access signaling, which is network type terminology.

6 Q. Now, you would agree with me, there is a
7 definition in here, 2.4.7 -- can you find that?

8 A. I don't have that.

9 Q. Then I will represent for the record, equal
10 access -- and this appears to be undisputed language.
11 "Equal Access Trunk Group" means a trunk used solely
12 to deliver traffic through an AT&T access tandem to
13 or from an IXC using Feature Group D protocols.

14 MR. ANDERSON: If you don't mind, I do have a
15 copy of that.

16 BY MR. CHIARELLI:

17 Q. Sure.

18 A. Thank you. Yeah, I would agree with that.

19 Q. So what in your view would be an example on
20 this diagram of a call that involved equal access as
21 that term is used in the contract?

22 A. A call between Sprint and AT&T's access

1 tandem and the interexchange carrier at the Chicago
2 POP in either direction.

3 Q. And you said in either direction. You do
4 understand from other -- all right. Let me ask it
5 this way. Do you understand that generally Sprint
6 does not send any originating traffic over that trunk
7 group because it has its own IXC, and it will route
8 outbound IXC traffic in a different manner?

9 A. I have heard Sprint say that. I have no
10 personal knowledge of that.

11 Q. So you have got no --

12 A. I have no reason to agree or disagree.

13 Q. Correct. Now, I want to talk about the
14 statutory term "exchange access." Are you familiar
15 with that term?

16 A. Somewhat.

17 Q. Can you give me the -- an example of an --
18 well, can you explain to me what your somewhat
19 understanding is?

20 A. My understanding is that exchange access
21 provides an interexchange carrier the ability to
22 connect to a local exchange customer.

1 Q. Anybody's local exchange customer?

2 A. I'm sorry?

3 Q. Anybody's local exchange customer?

4 A. Yes.

5 Q. Okay.

6 A. That the carrier that is providing service
7 to the end user is providing exchange access to the
8 interexchange carrier on behalf of their end user.

9 Q. Okay. Can you give me an example of an
10 exchange access call involving Sprint using the
11 diagram?

12 A. Okay. The New York Time Warner Cable end
13 user calling the Sprint CMRS Chicago end user.
14 That's actually not on the diagram, but let's hang a
15 cell phone off the back side of that switch. In that
16 example, Sprint would be providing exchange access to
17 that IXC.

18 Q. Just to be clear, that's the same example,
19 I believe -- would you also use that as an example of
20 an equal access traffic call?

21 A. I believe so, yes.

22 Q. So in your view, the two examples that you

1 have given, equal access and exchange access, would
2 be the same?

3 A. Equal access describes the -- the type of
4 trunk group in the Feature Group D signaling that
5 goes along with it and where it connects. The
6 exchange access is the overall service provided to
7 the interexchange carrier that allows them to connect
8 with that exchange customer.

9 Q. So the calls, though, are one and the same,
10 the type of call that would utilize exchange access
11 and an equal access trunk?

12 A. Yes, assuming that the exchange access is
13 provided through the tandem.

14 Q. Okay. And when it's provided through the
15 tandem, AT&T is providing tandem switching
16 functionality to the IXC, correct?

17 A. AT&T is providing tandem switching
18 functionality on behalf of the IXC and Sprint.

19 Q. And when you say on behalf of Sprint and
20 the IXC, let me ask it this way. When the IXC
21 delivers the call going in the direction to a Sprint
22 end user, AT&T is going to perform the switching of

1 the call and put it on a path, because I know we have
2 some dispute over what path. It will put it on a
3 path to the Sprint MSC, correct?

4 A. Yes, and both the IXC and Sprint benefit
5 from that.

6 Q. Okay. I think that's not what I asked.

7 A. I mean, that's clarification of my prior
8 response that you were skeptical about.

9 Q. With respect to the tandem switching that's
10 performed by AT&T, AT&T is going to bill the IXC for
11 tandem switching out of its switched access tariff,
12 isn't it?

13 A. Yes.

14 Q. And that's by virtue of the fact the IXC
15 purchased switched access service out of the AT&T
16 switched access tariff, correct?

17 A. Yes.

18 Q. AT&T is not going to charge Sprint under
19 its switched access tariff for the call we just
20 described, will it?

21 A. That's correct. But AT&T is not providing
22 exchange access to the IXC, because AT&T has no

1 exchange customer in that example.

2 MR. CHIARELLI: Can you read that answer back
3 please -- actually, I'm sorry. Can you read the
4 question and the answer, please?

5 (Whereupon, the record was read
6 as requested.)

7 BY MR. CHIARELLI:

8 Q. I will move to strike everything after the
9 word "that's correct," on the basis that the question
10 was, "Are you going to bill Sprint?" She said,
11 "That's correct," and then she went on to tie it back
12 to exchange access, which had nothing in the
13 question.

14 MR. ANDERSON: I think this whole line of
15 questioning has been dealing with exchange access,
16 and I think --

17 JUDGE HAYNES: It's denied. We will leave it
18 in the record.

19 MR. ANDERSON: I'm sorry. Your ruling was --

20 JUDGE HAYNES: It's denied, overruled, left in
21 the record.

22 BY MR. CHIARELLI:

1 Q. I am going to show you -- excuse me -- two
2 more aids. We will mark this Sprint Cross Exhibit 5.
3 It's a pretty standard map that's available off of
4 the internet, and I will just ask the question, have
5 you seen that type of map before?

6 A. Yes, I have.

7 (Whereupon, Sprint Cross Exhibit
8 No. 5 was marked for
9 identification.)

10 JUDGE HAYNES: Before we go any further, can I
11 get the exhibit? Go ahead.

12 BY MR. CHIARELLI:

13 Q. Have you actually seen this particular map?
14 And the only reason I ask is it's so common.

15 A. Yes, I have.

16 Q. Okay. And this map, you would agree,
17 represents the 51 major trading areas in the United
18 States, correct?

19 A. The United States and the islands, yes.

20 Q. Okay. I want to show you a second map.
21 This will be Sprint Cross Exhibit No. 6.

22

1 (Whereupon, Sprint Cross Exhibit
2 No. 6 was marked for
3 identification.)

4 MS. SWAN: I'm sorry. I don't mean to
5 interrupt, but do we have copies of these for
6 Springfield Staff?

7 MR. PFAFF: We can go off the record for one
8 second, your Honor?

9 JUDGE HAYNES: Off the record.

10 (Whereupon, a discussion was had
11 off the record.)

12 BY MR. CHIARELLI:

13 Q. Just a quick reference back to the Sprint
14 exhibit, the diagram, and you will notice at the top
15 it would be -- for example, we used Carbondale. Do
16 you see that?

17 A. I see that on your chart, yes. I don't see
18 it on the map. I have no idea where it is. I don't
19 have a copy of that, no.

20 Q. You also see on the diagram, the network
21 diagram, there is a reference to Springfield?

22 A. Yes, I see that.

1 Q. Okay. And all I am trying to do is see if
2 you agree. We picked those because -- would you
3 agree with me that looking at the Illinois state map
4 in the major trading area map that the lower part of
5 Illinois is clearly within MTA 19?

6 A. I can see that. I don't know where the
7 line is on the roadmap, but, yeah.

8 Q. Okay. And do you understand that
9 Carbondale is down in this lower piece of the state?

10 A. Oh, there it is. Okay. Yeah, I see it
11 now.

12 Q. Would you agree with me it appears pretty
13 clearly that Carbondale is going to be in MTA No. 19?

14 A. Yes. It appears that way, yes.

15 Q. Would you also agree with me that Chicago
16 and Springfield are going to fall in the upper part
17 of the state, which would be MTA No. 3?

18 A. I can tell that Chicago is in MTA 3. I
19 will take your word that Springfield is, too. I know
20 that that MTA map is --

21 MR. ANDERSON: Are you representing those as
22 facts regardless of whether it appears that way on

1 these maps?

2 BY MR. CHIARELLI:

3 Q. That is my understanding. I am willing to
4 stipulate to another city if you know its MTA for the
5 purposes of the next examples.

6 Now, within -- now that we know where
7 the MTAs are and in looking back at the diagram, do
8 you have an understanding and would you be able to
9 describe a call path that involved a land to mobile
10 call that you would consider an intraMTA equal access
11 call involving Sprint?

12 A. IntraMTA --

13 Q. Yes.

14 A. -- is local.

15 Q. Correct.

16 A. Not equal access.

17 Q. Okay. So what were you saying?

18 MR. ANDERSON: I think she answered the
19 question.

20 BY MR. CHIARELLI:

21 Q. And if you can't describe such a call,
22 that's fine.

1 MR. ANDERSON: I'm sorry. What was the
2 question? I thought she answered it.

3 JUDGE HAYNES: Could you restate your question?

4 BY MR. CHIARELLI:

5 Q. Sure. I mean, it's can you describe a call
6 path that you would consider to be an intraMTA -- I
7 will rephrase it.

8 Can you describe a call path that you
9 believe would be an intraMTA call land to mobile that
10 AT&T would require to be routed to Sprint over equal
11 access trunks?

12 A. Let me see if I can answer it this way. If
13 there is an end user in Chicago that calls a
14 Springfield end user of Sprint, that is intraMTA for
15 the AT&T end user -- I'm sorry. I need to look at
16 something else just for a quick minute.

17 Okay. The AT&T end user would have
18 that call routed based on their interexchange carrier
19 selection, and AT&T would hand that call off to the
20 interexchange carrier. The interexchange carrier
21 would then send it off to Sprint. So I don't --

22 Q. Let me ask it this way.

1 A. I don't see that in this diagram.

2 Q. Let's assume we have got an AT&T end user
3 in Springfield or in MTA No. 3, and that end user
4 does what you just said. It picks a carrier other
5 than AT&T; AT&T end user, local caller, different
6 picked carrier. That IXC routes it to the IXC
7 building that we have got on the diagram, and it goes
8 to the tandem, still an intraMTA call. Does AT&T
9 require that to be routed over equal access trunks to
10 Sprint?

11 A. Yes, because it's coming through an
12 interexchange carrier. There would not be any
13 intercarrier compensation as between AT&T and Sprint,
14 but because it's coming from an interexchange
15 carrier, it would need to be routed over Feature
16 Group D equal access trunks.

17 Q. And when you say Feature Group D equal
18 access trunks you are referring to the Feature Group
19 D equal access trunks between the IXC and the AT&T
20 tandem, correct?

21 A. Yes. And then as well over the equal
22 access trunks from AT&T tandem to Sprint.

1 Q. And --

2 A. Or over the combined trunk group, if that
3 was the way it was set up.

4 Q. And that equal access trunk that you just
5 described between the AT&T tandem and the Sprint MSC,
6 it's an intraMTA call, and you are requiring it to go
7 over equal access trunks, correct?

8 A. Yes.

9 Q. And are you going to require those equal
10 access trunks to be placed on special access
11 facilities instead of the interconnection facilities?

12 A. Yes.

13 Q. Even though it's an intraMTA call?

14 A. Yes. By the time it hits the AT&T tandem,
15 AT&T does not know that it's an intraMTA call. It's
16 coming from an IXC.

17 Q. And would your question -- or would your
18 answers be the same if I described that call -- or
19 let me do it this way.

20 Do you agree that in that scenario,
21 Sprint is providing exchange access to the IXC?

22 A. Yes.

1 Q. Your Honor, do we have the -- I know I
2 asked to identify it. Was this marked as 6?

3 JUDGE HAYNES: Yes.

4 BY MR. CHIARELLI:

5 Q. Can you provide an example of any exchange
6 access call involving Sprint that would result in the
7 call being exchanged between the Sprint and AT&T
8 networks over a 251(c)(2) facility?

9 MR. ANDERSON: I'm sorry. Could -- and I
10 apologize.

11 (Whereupon, the record was read
12 as requested.)

13 BY MR. CHIARELLI:

14 Q. Can you provide an example of any exchange
15 access call involving Sprint that would result in the
16 call being exchanged between the Sprint and AT&T
17 networks over a 251(c)(2) facility?

18 A. Yes.

19 Q. Okay. What call would that be?

20 A. An example would be when an AT&T end user
21 is calling a Sprint end user, and the Sprint end user
22 has roamed outside the area so that it appears to

1 AT&T to be an intraMTA call, AT&T will route that
2 call along with other intraMTA calls even though it's
3 actually interMTA and would be exchange access.

4 Q. And is that the only example that AT&T
5 would qualify as being able to route over a 251(c)(2)
6 facility exchange access call?

7 A. That's the only one I can think of right
8 now.

9 Q. Do you have a working understanding of what
10 the term CIC code, C-I-C, means?

11 A. Generally, yes.

12 Q. And what does it mean?

13 A. It's a carrier identification code that's
14 used in the -- again, this is a network type
15 question, but it's used in identifying an
16 interexchange carrier, a traditional interexchange
17 carrier.

18 Q. And those codes are used by the telephone
19 exchange service providers to bill IXCs, correct?

20 A. Probably. And that's -- you have reached
21 the limit of my knowledge.

22 Q. Do you know whether or not wireless

1 carriers ever get CIC codes?

2 A. I don't know. I don't think they do.

3 Q. Okay.

4 A. They provide transport services, but I
5 don't think they have been subject to the traditional
6 interexchange carrier parameters, if you will.

7 Q. Can you look at -- you said you had
8 Attachment 2 there?

9 A. Yes, I do.

10 Q. Would you look at Attachment 2, Section 7?

11 JUDGE HAYNES: Is this PHP-2?

12 MR. CHIARELLI: Actually it's --

13 THE WITNESS: Oh, you mean in the contract?

14 MR. CHIARELLI: Yes, ma'am.

15 JUDGE HAYNES: Okay.

16 BY MR. CHIARELLI:

17 Q. Are you there, Ms. Pellerin?

18 A. Yes, I am.

19 Q. Okay. You see the section that's entitled,
20 "Meet Point Billing For Switched Access Services?"

21 A. Yes.

22 Q. Can you describe any call where you believe

1 both Sprint and AT&T would be providing switched
2 access services to an IXC?

3 A. An example would be when that New York Time
4 Warner end user sends a call to the interexchange
5 carrier that routes it to the AT&T tandem for
6 completion to a Sprint end user.

7 Q. And so Sprint's providing exchange access
8 to the IXC, correct?

9 A. Yes.

10 Q. And IXCs buy Feature Group D service out of
11 AT&T's tariff in order to obtain exchange access,
12 correct?

13 A. Ultimately, yes.

14 Q. And AT&T is going to bill that IXC out of
15 its switched access tariff for an exchange access
16 call; is that correct?

17 A. It is an exchange access call as between
18 the interexchange carrier and Sprint. AT&T will bill
19 the interexchange carrier access charges for the
20 functions that AT&T performs that allow or provide
21 for the -- for Sprint to provide exchange access to
22 the interexchange carrier, but AT&T has no exchange

1 customer. So while they are providing an access
2 service to the IXC, it is not exchange access.

3 Q. And AT&T is always going to know the
4 identity of that IXC inbound call, correct, because
5 it's going to receive it over a trunk that it has
6 established with the IXC, correct?

7 A. Yes.

8 Q. So assume that same IXC call goes through
9 the tandem to End User No. 1 down here, the AT&T end
10 user. That's exchange access under your
11 understanding of exchange access?

12 A. AT&T would be providing exchange access to
13 the IXC, yes.

14 Q. And in both those examples where AT&T is
15 providing tandem switching functionality, be it to
16 the MSC of Sprint's or to your end office and end
17 user when the call goes to AT&T, it's the exact same
18 tandem functionality, correct?

19 A. The functionality is the same, yes.

20 Q. The same routing capabilities also,
21 correct?

22 A. Yes. And the exchange access that AT&T is

1 providing to the IXC when they have an end user
2 includes all of the elements that require -- that are
3 required for that call to actually reach AT&T's
4 telephone exchange service customer, and it is that
5 entire service that constitutes exchange access to
6 the IXC in that example. You can't take any
7 particular component of that and say, oh, that
8 component is exchange access.

9 Q. Do you believe there is an FCC rule that
10 says that?

11 A. I'm not aware of an FCC rule that gets that
12 granular.

13 Q. So, likewise, you are not aware of anything
14 in the statute that applies exchange access in the
15 manner that you just described?

16 A. I would have to reread the definition of
17 exchange access, but I believe it involves access to
18 an exchange customer. I think without an exchange
19 customer you don't have exchange access.

20 Q. Well, both examples, though, there is an
21 exchange access customer, right? You are just --

22 A. Not of AT&T, though.

1 Q. Right. That's the point that you are
2 just --

3 A. Exactly.

4 Q. All right.

5 A. It is the carrier that has the exchange
6 customer that is providing the exchange access.
7 Whether they do it directly between themselves and
8 the interexchange carrier or whether they use an
9 intermediary.

10 Q. So, likewise, for you to -- so your belief
11 is exchange access also requires there to be an end
12 user of AT&T when AT&T is providing the tandem
13 switching functionality to the IXC in order for the
14 call to be considered exchange access?

15 A. AT&T is providing exchange access when it
16 has an exchange customer.

17 Q. We will mark this as Sprint Cross No. 7.

18 (Whereupon, Sprint Cross Exhibit
19 No. 7 was marked for
20 identification.)

21 BY MR. CHIARELLI:

22 Q. Ms. Pellerin, we would like to direct your

1 attention to the definition of exchange access, which
2 is -- begins at No. 20 at the bottom of Page 2, and
3 it continues over to Page 3, and this is within
4 Section 153 of the definitions of Title 47. Do you
5 see that definition of exchange access?

6 A. Yes.

7 Q. Does that definition require there to be
8 any -- does it use the word "end user?"

9 A. It uses telephone exchange service, which
10 is provided to an end user. I mean, when you look at
11 the definition of telephone exchange service, I think
12 there is an end user involved there somewhere,
13 whether they use that term or not.

14 Q. We will go ahead and check on that one,
15 too. You know what? That's going to be over at 54.

16 A. Right. Service within a telephone
17 exchange.

18 Q. And my point is, neither one of those
19 definitions qualify their application based upon the
20 context in which -- who the carriers are that are
21 involved in the call, does it?

22 MR. ANDERSON: At this point I am going to

1 object. This is really getting into legal
2 interpretation, and I am going to object on that
3 ground. The interpretation of the provisions of the
4 Act is something that can be addressed in the brief.

5 MR. CHIARELLI: Well, my only response would
6 be, I think her testimony is premised upon her
7 understanding of the application of these terms and
8 trying to determine -- I mean, she very clearly says
9 in her testimony, I believe that it's got to be an
10 end user of AT&T when you are talking about these
11 definitions, and I am trying to make the point that
12 these definitions don't include end user.

13 JUDGE HAYNES: Sustained.

14 BY MR. CHIARELLI:

15 Q. Okay. But to go ahead and talk about 911
16 for a little bit; now, regarding a 911 call, is it
17 AT&T's position that 911 traffic is not
18 interconnection traffic because it does not involve a
19 call between an AT&T end user and a Sprint user?

20 A. That's part of it. The other part is that
21 the service that AT&T provides to the PSAP, P-S-A-P,
22 is not telephone exchange service or exchange access,

1 and if one thing is clear in Section 251(c)(2) is
2 that it's for the purpose of telephone exchange
3 service or exchange access, and 911 service to the
4 PSAP is neither.

5 Q. And you think that's a very clear --

6 A. I think 251(c)(2) is very clear that it is
7 only used for telephone exchange service and exchange
8 access and this Commission determined in the Intrato
9 arbitration case that when Intrato provides service
10 to a PSAP it is not telephone exchange service or
11 exchange access.

12 Q. And I appreciate that. Have there been
13 subsequent decisions amongst numerous other
14 commissions that have also since addressed the issue?

15 A. I don't know about numerous other
16 commissions having addressed the issue. I know some
17 have found that it is telephone exchange service.
18 Some have found that it is not; for example, Florida.
19 It was not appealed in Illinois. So to my knowledge,
20 that is -- that's the law of the land for Illinois.

21 Q. Are you familiar with the results in Ohio,
22 North Carolina and Indiana?

1 A. I am familiar with Ohio and North Carolina.
2 I'm not familiar with Indiana.

3 Q. And are you familiar with Ohio and North
4 Carolina because you testified to the same way in
5 Ohio and North Carolina?

6 A. Yes.

7 Q. And they disagreed with your
8 interpretation?

9 A. Yes, and Illinois and Florida and the
10 preliminary order in Texas agreed with AT&T.

11 Q. Have you appealed the Ohio/North Carolina
12 cases?

13 A. We appealed the North Carolina case on the
14 telephone exchange service issue. We appealed the
15 Ohio case on other issues as well. The Ohio case is
16 currently pending before the sixth circuit.

17 Q. I'm sorry?

18 A. The Ohio case is currently pending before
19 the sixth circuit court of appeals.

20 Q. So is it fair to say there is a pretty good
21 split between the commissions over whether 911 is or
22 is not telephone exchange service?

1 A. I would agree there is a split, and given
2 that this Commission investigated the issue
3 thoroughly with evidence taken and briefs written and
4 reached the conclusion that it is not telephone
5 exchange service, there has been nothing in Illinois
6 to change that.

7 Q. Would you agree with me that if it is
8 subsequently determined on appeal that 911 is
9 telephone exchange service, that it would qualify to
10 ride the 252(c)(2) trunks?

11 MR. ANDERSON: I'm going to object, lack of
12 foundation. What appeal are you talking about? Ms.
13 Pellerin has already testified that the decision she
14 referred to is not on appeal.

15 MR. CHIARELLI: Sixth circuit.

16 MR. ANDERSON: And so you are asking that
17 question, whether that would be the law for the sixth
18 circuit?

19 BY MR. CHIARELLI:

20 Q. Sure. I am trying to get to the -- your
21 understanding, if something is deemed to be telephone
22 exchange service, doesn't that also meet what you

1 just said, that telephone exchange service gets
2 exchanged over a 251(c)(2) interconnection facility?

3 A. If that were to take place in Illinois, I
4 would agree, but there is nothing pending in Illinois
5 or the seventh circuit.

6 Q. Okay. Would you agree with me that even
7 under AT&T's limited view of what constitutes a
8 251(c)(2) traffic, there will be some traffic
9 exchanged between Sprint and AT&T that will be
10 telephone exchange service traffic that can, in fact,
11 be exchanged over a 251(c)(2) cost-based facility?

12 A. I'm sorry. Would you repeat that question,
13 please?

14 Q. Sure. You will agree with me that even
15 under your view that -- of what constitutes 251(c)(2)
16 traffic there is going to be some 251(c)(2) traffic
17 exchanged between the parties?

18 A. I'm sorry. Your question is not making
19 sense to me. Could you rephrase it, please?

20 Q. Sure. Would you agree with me that if
21 Sprint establishes what would constitute a 251(c)(2)
22 facility that intraMTA traffic could be routed over

1 that facility?

2 A. Let me rephrase your question to make sure
3 that I answer what you are asking. You are asking me
4 if there would be some interMTA traffic that would be
5 routed over the 251(c)(2) facilities?

6 Q. No. Right now I am just starting off with
7 intra, intraMTA traffic.

8 A. There would be intraMTA traffic over the
9 251(c)(2) facilities, yes.

10 Q. So as a starting point we both agree there
11 will and can and should be some intraMTA traffic, and
12 that traffic will represent telephone exchange
13 service, and that gets routed over a 251(c)(2)
14 facility?

15 A. Yes.

16 Q. Okay. Are you familiar with the paragraph
17 972 of the CAF order?

18 A. Yes.

19 Q. And you previously read -- strike that.

20 I am going to -- as a matter of fact,
21 it's a multi-hundred page document. I went ahead and
22 made an abbreviated version. It just has the cover

1 sheet and then particular pages out of it.

2 We will mark this for identification
3 as Sprint Cross No. 8. Do you have that in front of
4 you, Ms. Pellerin?

5 A. Yes, I do.

6 (Whereupon, Sprint Cross Exhibit
7 No. 8 was marked for
8 identification.)

9 BY MR. CHIARELLI:

10 Q. And I would like you to turn to the second
11 page, which has the Paragraph 972 on it, "Use of
12 Section 251(C)(2) Interconnection Arrangements?"

13 A. Yes.

14 Q. And I will tell you, I did not see that you
15 addressed this paragraph at all in your direct or
16 rebuttal. Did I miss it?

17 A. I don't recall that I did, no.

18 Q. Okay. Do you have a working understanding
19 of what this paragraph means?

20 A. Yes.

21 Q. What's your interpretation of what this
22 paragraph means?

1 A. There was a regulatory void for VoIP
2 traffic for quite a period of time and for
3 information services traffic as well. And in this
4 order the FCC spent a considerable number of
5 paragraphs addressing how to deal with VoIP, V-o-I-P,
6 traffic going forward to fill this regulatory void.
7 And this Paragraph 972 is a section of that VoIP
8 closing of that black hole, if you will, in terms of
9 how to handle it. And what they were basically
10 saying here is that the VoIP traffic can be treated
11 or routed along with the telecommunications traffic.

12 They provided some additional
13 guidelines in terms of specifically tariffing and
14 whatnot of VoIP traffic, and in the section that Mr.
15 Felton relied on and referenced, that Section
16 251(c)(2) doesn't preclude them using the facility
17 for other traffic. They are specifically talking
18 about allowing information service traffic along with
19 the telecommunications service traffic.

20 And the -- the Talk America order and
21 the FCC amicus brief talk about interconnection being
22 for the ILECs' and the CLECs' customers to talk with

1 each other. So there was another whole section of
2 the Connect America order that talked about CMRS, and
3 the only place and the only manner that I am aware of
4 that they carved it out was specific to nonaccess or
5 intraMTA compensation for that traffic.

6 Q. I'm not sure if I followed all that so I
7 will ask; are you saying that Paragraph 972 is
8 limited to the application to VoIP traffic?

9 A. That is the context of that paragraph, yes.

10 Q. That's not what I asked. My question is,
11 are you -- is it your interpretation that this
12 paragraph is only applying to VoIP traffic?

13 A. My testimony is that this paragraph is
14 interpreting how to handle VoIP traffic, which is not
15 CMRS traffic, and it's not wireline traffic. It's
16 something else. It's information service traffic;
17 maybe telecommunications, maybe not. It depends on
18 what's on the end, and so this was part of a larger
19 section in that order to close that hole in terms of
20 how to handle VoIP traffic.

21 Q. So about halfway down the paragraph you see
22 the sentence on the left-hand side that begins with

1 "However"?

2 A. Yes.

3 Q. "However, as long as an interconnecting
4 carrier is using the Section 251(c)(2)
5 interconnection arrangement to exchange some
6 telephone exchange service and/or exchange access
7 traffic, Section 251(c)(2) does not preclude that
8 carrier from relying on that same functionality to
9 exchange other traffic with the incumbent LEC as
10 well." Did I read that correct?

11 A. Yes. And that goes to the parties' dispute
12 about what it means to exchange traffic.

13 Q. Correct.

14 A. Because I don't believe that the routing of
15 911 calls or calls to and from interexchange carriers
16 constitutes the exchange of traffic or the mutual
17 exchange of traffic between AT&T and Sprint. So I
18 think we are into a legal argument about how this all
19 gets interpreted.

20 Q. Sure.

21 A. And I would prefer to leave that to the
22 lawyers with their briefs beyond what I have

1 explained to you here.

2 Q. In light of what you just said about the
3 sentence I do have to ask, you would agree with me
4 that when it's saying some traffic, that sentence is
5 not qualifying anything to only VoIP traffic,
6 correct?

7 MR. ANDERSON: I'm going to object, asked and
8 answered.

9 BY MR. CHIARELLI:

10 Q. I don't think that particular question has
11 been asked with respect to that sentence.

12 JUDGE HAYNES: Overruled.

13 BY THE WITNESS:

14 A. I do not take any sentence out of a
15 paragraph out of context. The context of this
16 paragraph is how to handle VoIP traffic, and when
17 they say that it can be used to exchange other
18 traffic, that right there talks about having to
19 exchange traffic. So if you are not exchanging
20 traffic, then this paragraph and this sentence that
21 you have referenced means nothing.

22 Q. And you think Mr. Felton is wrong in his

1 interpretation of that paragraph, right?

2 A. I do.

3 Q. And you saw that in his direct testimony,
4 correct?

5 A. I recall it being there, yes.

6 Q. And you chose not to respond to it all in
7 your rebuttal, correct?

8 A. That's correct. I did not respond to
9 everything in Mr. Felton's or Mr. Farrar's or Mr.
10 Burt's testimony that I disagreed with.

11 Q. Did you just overlook this one or didn't
12 consider it important?

13 A. No. I --

14 MR. ANDERSON: Object, argumentative.

15 MR. CHIARELLI: I'm trying to determine how --

16 MR. ANDERSON: I will withdraw the objection.

17 BY THE WITNESS:

18 A. I selected those aspects of Sprint's
19 testimony that I felt were appropriate to respond to.
20 Frankly, I saw the interpretation of this paragraph
21 as being a legal argument.

22 BY MR. CHIARELLI:

1 Q. Okay. I would like to direct your
2 attention to your direct, Page 5, Line 102 through
3 108, if you'll just let me know when you get there.

4 A. Okay.

5 Q. You see where it reads, To comply with
6 Section 251(c)(2)(B) of the 1996 Act, an
7 interconnection arrangement must include one or more
8 points of interconnection (POIs) on the incumbent
9 local exchange carriers (ILECs) (i.e. AT&T Illinois)
10 Network.

11 A. Yes.

12 Q. These POIs serve as the demarcation points
13 between the parties' networks for the purpose of
14 Section 251(c)(2) interconnection, and in this
15 arrangement each party is financially responsible for
16 the facilities on its side of the POI. Do you see
17 that language?

18 A. Yes.

19 Q. Regarding any requirement under 251(c)(2)
20 to have "one or more points of interconnection" on
21 the AT&T network, Sprint's current arrangement does,
22 in fact, have points of interconnection established

1 on AT&T's network; is that correct?

2 A. Not for the mutual exchange of traffic, no.

3 Q. That wasn't my question. At all?

4 A. Section 251(c)(2) has a companion of the
5 definition of interconnection in FCC's Rule 51.5, and
6 51.5 talks about the mutual exchange of traffic, and
7 I don't think you can separate those two.

8 Q. Would you agree with me that Sprint has
9 points of interconnection established on AT&T's
10 network today?

11 A. In that existing network, those "points of
12 interconnection" are not used for the mutual exchange
13 of traffic, and the definition of interconnection
14 that the FCC established to implement Section
15 251(c)(2) says that they are for the mutual exchange
16 of traffic. And if I may, in the current CMRS model
17 the POIs that are established on AT&T's network are
18 for Sprint to send traffic to AT&T. There are
19 reciprocal POIs that are established on Sprint's
20 network for AT&T to send traffic to Sprint.

21 Q. Do you know whether or not any of those
22 arrangements involve two-way facilities?

1 A. I don't think the facilities are the point.
2 They -- a facility itself is just a pipe. It can be
3 used two-way or it can be used one-way, depending on
4 what's assigned to it.

5 Q. So we are -- you would agree with me, we
6 are talking about a pipe that has a POI. One end is
7 on the AT&T network, and the other end is on the
8 Sprint network; is that fair?

9 A. We are talking about a pipe that has points
10 of interconnection on both ends.

11 Q. And so --

12 A. The requirements of 251(c)(2) are that the
13 point of interconnection for the mutual exchange of
14 traffic is on AT&T's network.

15 Q. Okay.

16 A. On the ILEC's network.

17 Q. And if you don't know this, we will wrap it
18 up with Mr. Albright, and that is, let's assume a
19 pipe between Sprint and AT&T, there is a POI at one
20 end of the pipe and there is a POI at the other end
21 of the pipe. Is that pipe being used for the mutual
22 exchange of traffic as you would define it under

1 251(c)(2)?

2 MR. ANDERSON: Could I have the question read
3 back, please? I'm sorry.

4 (Whereupon, the record was read
5 as requested.)

6 MR. ANDERSON: I would object on the grounds of
7 vagueness, using the word "points."

8 MR. CHIARELLI: Actually, as opposed to point,
9 I believe it was POI, but --

10 MR. ANDERSON: I'm sorry. Did you say POI?

11 BY MR. CHIARELLI:

12 Q. I believe I did, but I will restate the
13 question.

14 Assume a pipe, on one end of the pipe
15 is the POI that Sprint establishes on AT&T's network.
16 On the other end of the pipe is the POI that AT&T
17 establishes on the Sprint network. The trunks are
18 set up as two-way trunks. Would you agree with me
19 that those two-way trunks that ride that pipe are
20 being used for the mutual exchange of traffic as you
21 understand it under 251(c)(2)?

22 A. The physical facilities are identical in

1 both cases. The regulatory treatment of that
2 facility and the traffic is different under the
3 current arrangement where the parties voluntarily
4 agree that there is points of interconnection on
5 either end. So there is a demarcation on the AT&T
6 end for traffic from Sprint to AT&T. There is a
7 separate and distinct demarcation on Sprint's end for
8 traffic that goes from AT&T to Sprint. The pipe is
9 the pipe is the pipe. The traffic is flowing in both
10 directions over that, but that does not comply, in my
11 opinion -- my lay opinion, with the requirement of
12 251(c)(2) that the POI is on AT&T's network for that
13 mutual exchange of traffic.

14 When you have a POI on both ends,
15 depending on the direction of the traffic, I
16 personally, in my lay opinion, do not see that as
17 compliant.

18 Q. I appreciate your response. Are you saying
19 that there is not a mutual exchange of traffic over
20 that pipe?

21 A. There is a mutual exchange of traffic that
22 rides over the pipe, and in conjunction with Section

1 251(c)(2), for that to qualify, the POI must be at
2 the ILEC's location. You cannot separate those two
3 requirements.

4 Q. But you would agree with me there is a POI
5 at the ILEC's location correct?

6 A. My interpretation of 251(c)(2), there is
7 nothing about a dual or reciprocal POI at the CLEC or
8 the wireless carrier's location. It is only on the
9 AT&T's network. In other words, I don't believe that
10 Section 251(c)(2) could obligate AT&T to have a point
11 of interconnection at Sprint's network, and so any --
12 any requirement that AT&T establish that POI for the
13 mutual exchange of traffic would not be consistent
14 with 251(c)(2). So you have to have both the POI on
15 AT&T's network and the mutual exchange of traffic for
16 it to be compliant.

17 Q. The scenario I just described, let's assume
18 that it's a CLEC and AT&T, and there is a pipe
19 between the CLEC and AT&T. The CLEC establishes a
20 POI on the AT&T network. You would agree with me
21 there is a physical point at which the pipe connects
22 to the AT&T net work, correct?

1 A. Yes. And that is the demarcation point
2 between the parties' responsibilities for those
3 facilities. So even if the CLEC leases the
4 facilities from its location to AT&T's location from
5 AT&T, those are still considered to be part of the
6 CLEC's network.

7 MR. CHIARELLI: Well I'd strike everything
8 after she said yes.

9 JUDGE HAYNES: Denied.

10 BY MR. CHIARELLI:

11 Q. The -- would you agree with me that they
12 lease those facilities from AT&T, that there is going
13 to be another end of the facility obviously that is
14 going to connect to the CLEC network, correct?

15 A. Physically, yes. As I said, when the CLEC
16 leases that facility from AT&T, even though it is
17 technically AT&T's plant, and AT&T pays taxes and
18 maintains that plant, once the CLEC leases that
19 facility from AT&T, now it becomes part of the CLEC's
20 network, and so the physical connection on the other
21 end is not a demarcation point, because all of that
22 is considered to be the CLEC's facilities.

1 Q. Let me ask you this way. Is AT&T providing
2 the CLECs a 251(c)(2) facility at TELRIC-based prices
3 today?

4 A. I believe they are in Illinois, yes.

5 Q. Okay. Will such a facility have a point of
6 interconnection on the AT&T network?

7 A. Yes.

8 Q. Where will the other end of that facility
9 connect?

10 A. There is a physical connection at the other
11 end, but it is not a POI.

12 Q. Okay. What does somebody do to establish a
13 POI at the other end?

14 A. They would be a wireless carrier with a
15 contract that provided for that. What's happening is
16 we are mixing the physical network with the
17 regulatory treatment of that network. Physically you
18 have got physical cross-connections at both ends. In
19 the regulatory environment, you have got a point of
20 demarcation between what's considered to be each
21 party's network. Mr. Chiarelli is attempting to take
22 the Sprint or the CLEC end of that where the physical

1 connection is and turn that into a regulatory
2 demarcation point and it's not.

3 Q. I still come back to when you have that
4 251(c)(2) facility, how do you determine the end of
5 it for regulatory purposes?

6 A. The CLEC identifies to AT&T where it will
7 establish the POI.

8 Q. And in the CMRS model, how do you determine
9 for regulatory purposes the AT&T POI on the CMRS
10 network?

11 A. Based on the contract and whatever
12 negotiations go on with the network folks on both
13 sides to determine how that's going to take place. I
14 am not aware of any CMRS agreement that does not have
15 the dual POI arrangement that exists in Sprint's
16 current agreement. I'm not aware of any CLEC
17 agreement that has that arrangement. In all the CLEC
18 agreements that are 251(c)(2) compliant the point of
19 interconnection is at AT&T's network.

20 Q. But you would agree with me there is still
21 a physical end on the CLEC side of the service?

22 MR. ANDERSON: Objection, asked and answered

1 several times.

2 JUDGE HAYNES: Sustained.

3 BY MR. CHIARELLI:

4 Q. Is the purpose for establishing two POIs in
5 the CMRS model under AT&T's view the mechanism by
6 which the shared facility arrangements are
7 implemented?

8 A. I don't know what the purpose was for
9 establishing that dual POI arrangement when CMRS
10 carriers and AT&T first set up interconnection
11 arrangements prior to the 1996 Act.

12 Q. So you have no working understanding as to
13 what significance it served at the time it was
14 entered into?

15 A. No. That was many years ago.

16 Q. Okay. Do you have 251(c)(2) in front of
17 you, ma'am?

18 A. No, I do not.

19 MR. CHIARELLI: I'd like to mark this as Sprint
20 Cross -- I believe it may be 9.

21 JUDGE HAYNES: It really needs to be an
22 exhibit? Okay. Sorry. Sprint Cross 9.

1 (Whereupon, Sprint Cross Exhibit
2 No. 9 was marked for
3 identification.)

4 MR. ANDERSON: 9?

5 JUDGE HAYNES: Yes.

6 MR. ANDERSON: Did we -- what was 8? Maybe I'm
7 off on my numbering.

8 MR. CHIARELLI: CAF order excerpts.

9 MR. ANDERSON: I apologize. Thank you.

10 BY MR. CHIARELLI:

11 Q. Can you -- do you still have 251(c)(2) in
12 front of you?

13 A. Yes.

14 Q. Would you agree that the language of
15 251(c)(2) is silent regarding the parties' financial
16 responsibility for the cost of interconnection
17 facilities?

18 A. Yes.

19 Q. And there is no language in 251(c)(2) that
20 establishes the POI as a point of financial
21 demarcation regarding the cost of the facilities,
22 right?

1 A. That's correct.

2 Q. Okay. Is it AT&T's position that there is
3 any FCC promulgated rule that states a 251(c)(2)
4 interconnection arrangement imposes on each party the
5 financial responsibility for the cost of the
6 interconnection facilities on their respective sides
7 of the POI?

8 A. I'm not aware of FCC regulations. I am
9 aware that this Commission has made that decision
10 interpreting the FCC rules and orders repeatedly.

11 MR. CHIARELLI: I'm sorry. Maybe you can read
12 that answer back.

13 (Whereupon, the record was read
14 as requested.)

15 BY MR. CHIARELLI:

16 Q. Do you know whether or not any of those
17 Illinois Commission decisions addressed the MAP
18 decision?

19 A. To my knowledge, they addressed the
20 251(c)(2) interconnection arrangements with CLECs,
21 not anything in terms of arrangements with the
22 one-way pager, paging carrier, specifically in the

1 context of the MAP decision, no.

2 Q. No. The facilities that AT&T contends
3 Sprint must transition in order to obtain 251(c)(2)
4 cost-based TELRIC pricing are currently subject to
5 special access pricing today; is that correct?

6 A. Yes.

7 Q. Okay. And those same special access priced
8 facilities are also subject to the existing
9 24 percent shared facility discount arrangement; is
10 that correct?

11 A. A portion of them are, yes.

12 Q. Okay. And pursuant to the shared facility
13 discount arrangement, Sprint receives a 24 percent
14 discount on the special access facilities that are
15 used to deliver AT&T originated traffic to Sprint; is
16 that --

17 A. Yes.

18 Q. And I believe the way that you describe it
19 is AT&T Illinois bills Sprint the tariff access price
20 discounted by 24 percent; is that right?

21 A. Yes.

22 Q. Now, the 24 percent discount is the result

1 of applying the shared facility provisions that are
2 contained in the interconnection agreement, correct?

3 A. Yes.

4 Q. There are no provisions in your special
5 access tariff that address giving discounts under
6 that fact scenario, are there?

7 A. That's correct.

8 Q. Do you understand there is also a provision
9 within the existing agreement that addresses
10 discounts based upon -- for the same purpose of being
11 AT&T's use of high capacity facilities, those
12 facilities that are DS3 or higher?

13 MR. ANDERSON: I'm sorry. I missed the first
14 part of that.

15 (Whereupon, the record was read
16 as requested.)

17 BY THE WITNESS:

18 A. Are you asking me for something beyond the
19 shared facility factor?

20 BY MR. CHIARELLI:

21 Q. I am asking you, in addition to the
22 24 percent discount, is there also a provision that

1 implements cost sharing with respect to DS3 and above
2 sized facilities?

3 A. I don't know.

4 Q. I am going to show you what was marked this
5 morning as AT&T Cross Exhibit 2, the existing
6 wholesale agreement, and it will be Page 82.

7 A. I'm sorry. I'm not seeing anything with 82
8 here.

9 MR. PFAFF: Ms. Pellerin, may I?

10 BY THE WITNESS:

11 A. Okay. The number is at the bottom. Okay.

12 BY MR. CHIARELLI:

13 Q. So the first question is, do you know that
14 the 24 percent discount is applied with respect to
15 DS1s?

16 A. Yes.

17 Q. Okay. And you see -- and that's -- and
18 within Paragraph 3, that's describing the shared
19 facility discount, correct?

20 A. Yes.

21 Q. Do you see Paragraph 4 where it talks about
22 originating party uses, terminating party's

1 facilities, DS3 and above and has a provision --

2 A. Yes.

3 Q. Is it your understanding that the purpose
4 of Paragraph 4 is to, likewise, implement a shared
5 facility arrangement with respect to a party's use of
6 higher capacity facilities?

7 A. This is actually the first time I have read
8 this paragraph. So I'm not really in a position to
9 interpret it. I think it says what it says.

10 Q. Okay. Would you also agree with me, as a
11 general proposition your special access tariffs are
12 not going to contain provisions that would implement
13 specific discounts on high capacity facilities such
14 as reflected in Paragraph 4?

15 A. I would say that's probably true.

16 Q. Okay. So that's similar with what I asked
17 before. To the extent Paragraph 4 represents some
18 type of discount on special access facilities, it's
19 applied pursuant to the interconnection agreement and
20 not pursuant to the switched -- not pursuant to the
21 special access tariff, correct?

22 A. I -- yeah, I think so. I don't know how

1 this compares to what the tariff says.

2 Q. Okay. Your rebuttal appears to refer to
3 but does not appear to discuss in any great detail
4 Dr. Liu's reasoning leading up to Dr. Liu's
5 recommendation regarding AT&T's transition language.
6 Specifically, I am looking at your rebuttal, Page 13,
7 Lines 305 to 307, and if you want to take a look at
8 that just to refresh your recollection.

9 MR. ANDERSON: Could you repeat the question?

10 MR. CHIARELLI: Sure. I am directing her to
11 those pages, and --

12 MR. ANDERSON: I'm sorry, the page number?

13 BY MR. CHIARELLI:

14 Q. Sure. It's rebuttal Page 13, 305 to 307.

15 A. Yes, I see it.

16 Q. My question is, did you agree with all of
17 Dr. Liu's reasoning regarding the subject of Sprint
18 transitioning to a 251(c)(2) arrangement?

19 A. I don't recall specifically on all of her
20 reasoning. I certainly agreed with her conclusion.

21 Q. Okay. I want to point you to a particular
22 passage of Dr. Liu's testimony, and this is going to

1 be at Page 69, Lines 1712 to 1716.

2 MR. ANDERSON: Could you wait a second, please?

3 MR. CHIARELLI: Sure.

4 THE WITNESS: I don't have that.

5 MR. ANDERSON: What was the citation again?

6 MR. CHIARELLI: Page 69, Lines 1712 to 1716.

7 MR. ANDERSON: I can show her mine. Can I
8 stand here while --

9 MR. CHIARELLI: Absolutely. I mean, it's okay
10 with me if it's okay with --

11 JUDGE HAYNES: Yes.

12 THE WITNESS: What lines are we talking about?

13 BY MR. CHIARELLI:

14 Q. Page 69, 1712 to 1716. And in particular,
15 it's that language that reads, "Note that Sprint is
16 not forced to establish 251(c)(2) interconnection and
17 is free to continue to exchange traffic with AT&T
18 under the existing non-Section 251(c)(2)
19 interconnection arrangement that was established on a
20 negotiated business-to-business basis. Whether to
21 make that transition is a business decision that
22 Sprint must make." Do you agree with that?

1 A. I agree it says that.

2 Q. Do you agree with what she is saying?

3 A. Partially.

4 Q. What -- and could you explain your response
5 there?

6 A. I think continuing to operate under the
7 current arrangement Sprint could have sought to
8 extend its current agreement and maintain that. It
9 could have requested to negotiate the current
10 agreement had it intended to stay in the current
11 agreement. It did not. Sprint requested a 251(c)(2)
12 interconnection. AT&T's language does provide for
13 either party to have the ability to initiate the
14 transition.

15 Having gone through this process and
16 excerpted particular key provisions of the current
17 arrangement to include in the new agreement, AT&T
18 does not want to be bound forever to maintain that
19 old arrangement, because, for example, if other CMRS
20 carriers decide like Sprint did that it's in their
21 best interest to change the interconnection model and
22 we are years down the road and Sprint is the only one

1 who is left with this kind of interconnection model,
2 for example, AT&T would want the ability to bring all
3 the CMRS carriers in line with the 251(c)(2).

4 Q. So you believe it's the right of the ILEC
5 to determine what model somebody may use?

6 A. I think that it is appropriate in this
7 agreement with Sprint having requested the TELRIC
8 pricing that comes with 251(c)(2) for either party to
9 have the ability to request that the arrangement be
10 changed to be compliant with 251(c)(2).

11 Q. Are you aware of the general proposition in
12 the FCC rules that once you have established
13 interconnection by a particular manner that it proves
14 the technical feasibility to continue to operate that
15 way?

16 A. Technical feasibility is not the question.

17 Q. Interconnection arrangement? Do you --

18 A. I do not think that AT&T can be required by
19 a commission to perpetuate an interconnection
20 arrangement that is not compliant with Section
21 251(c)(2).

22 Q. So you disagree with Dr. Liu's position

1 that it's up to Sprint to decide whether to
2 transition or not?

3 A. Sprint certainly can make that decision.
4 To my knowledge, AT&T doesn't have any intention
5 right out of the gate of initiating that kind of
6 transition. AT&T was perfectly happy to maintain the
7 current negotiated arrangement with Sprint like it
8 has with every other CMRS carrier. Certainly the
9 mechanism of the transition, if Sprint finds it's in
10 its best interest to go forward with it and AT&T has
11 not, then Sprint would determine the sequence of
12 transition and whatnot.

13 So Sprint was never forced to even
14 negotiate the type of arrangement that they
15 requested. As I said, AT&T would have been more than
16 happy to maintain the current agreement, the current
17 arrangement, with the dual POI setup, just like it
18 has with every other CMRS carrier. So I think
19 Sprint, in my opinion, has been looking to get the
20 best of both worlds and have one foot in the pool and
21 one foot out of the pool, and it gets to decide
22 whether it's in or out on any given day, and I don't

1 think that's appropriate under 251(c)(2).

2 Q. But if the Commission or Court were to
3 determine that the best of both worlds means that's
4 what's required under the Act, you don't have any
5 problems with that, do you?

6 A. I would have nothing to say about that.

7 Q. All right. I would still like an answer to
8 the question, do you disagree with Dr. Liu's position
9 that whether to transition or not is a business
10 decision for Sprint to make?

11 A. It may be. If AT&T takes no action to
12 initiate the transition, it is certainly Sprint's
13 decision and their business decision to initiate it
14 or not.

15 Mr. Chiarelli, are we finished with
16 Dr. Liu's testimony?

17 Q. Yes, ma'am.

18 MR. ANDERSON: Could I take a second? Do you
19 have much longer? I was going to suggest if you have
20 a lot we might take a short break.

21 MR. CHIARELLI: I do have a lot, but I am fine
22 with a break.

1 JUDGE HAYNES: Yeah. I think a break is a good
2 idea.

3 (Whereupon, a short break was
4 taken.)

5 JUDGE HAYNES: We are back on the record.

6 BY MR. CHIARELLI:

7 Q. On the transition language you would agree
8 with me, I believe you said, AT&T's transition
9 language would allow AT&T to determine that it's time
10 to transition, send a notice to implement the
11 process?

12 A. Yes.

13 Q. They could do that over Sprint's objection,
14 correct?

15 A. If that's the language in the contract,
16 yes. That language in the contract --

17 MR. CHIARELLI: I object at this point. I got
18 an answer to the question, your Honor.

19 BY THE WITNESS:

20 A. Well, I want to clarify what I said, if I
21 may.

22 JUDGE HAYNES: I think you have answered his

1 question, and we will see what the next question is.

2 THE WITNESS: All right.

3 BY MR. CHIARELLI:

4 Q. I want to direct your attention to your
5 rebuttal starting at Page 11, Line 242, where you
6 state, "If Sprint intends to use the same physical
7 facilities for interconnection that it is currently
8 using for interconnection, there will be no need to
9 physically disconnect and reconnect those facilities.
10 An ASR is still required, however, to convert a
11 facility from access tariff pricing to ICA pricing.
12 In addition, since Sprint currently uses the same
13 facilities for both interconnection and
14 non-interconnection purposes, Sprint would have to
15 order separate facilities for its non-interconnection
16 services (or lease from another carrier or
17 self-provision), and the associated tariffed charges
18 would apply"? Do you see that testimony?

19 A. Yes.

20 Q. Does AT&T have a DS3 and DS1 network for
21 which it charges special access prices and a second
22 completely separate DS3 and DS1 network for which it

1 charges 251(c)(2) prices?

2 A. The physical facilities are the same.

3 Q. Okay. Assume Sprint has a DS3 facility
4 today that under AT&T's view of interconnection is
5 currently being used for only 251(c)(2)
6 interconnection purposes between a given Sprint MSC
7 and a tandem, but the facility is still priced at the
8 special access rate, does Sprint still have to order
9 disconnection and reconnection of the DS3 or just
10 send an ASR to change the pricing?

11 A. I am not an ordering expert by any stretch
12 of the imagination, so my understanding is fairly
13 simplistic. I believe that Sprint would need to
14 issue an ASR that would disconnect -- not physically
15 disconnect, but effectively terminate the special
16 access service that would be coordinated with an ASR
17 that would establish the TELRIC service from the
18 interconnection agreement.

19 Q. Are you done?

20 A. Yes.

21 Q. When you say not physically disconnect, in
22 order to disconnect, there will be a charge for the

1 disconnection even though it's not a physical
2 disconnection; is that correct?

3 A. I'm not familiar with the charges in the
4 special access tariff, if there was a charge to
5 disconnect it. There may be early termination
6 charges if it is terminated prematurely. I'm not
7 familiar enough with the special access tariff or any
8 particular service that Sprint would be asking about
9 as to whether there is a specific charge to
10 disconnect or terminate a special access service.

11 Q. Okay. So your testimony Sprint would have
12 to order separate facilities, I mean, you don't --
13 you have no knowledge as to what the ramifications
14 are with respect to the placing of such an order from
15 a financial perspective?

16 MR. ANDERSON: Before you answer, can I ask
17 again, where are you referencing in her testimony?

18 MR. CHIARELLI: It's the last sentence that --
19 oh, you didn't have it from before.

20 MR. ANDERSON: Just a page reference.

21 MR. CHIARELLI: 11 at Line 242 is where it
22 begins.

1 MR. ANDERSON: Okay. Just to clarify, I think
2 the questions you asked just leading up to this
3 latest question assumed that Sprint is using --
4 currently using a facility solely for interconnection
5 and -- and paying access charges for that. I believe
6 that was the hypothetical that you were asking her
7 about now, and I just -- is that still the same
8 hypothetical you are talking about? Because here in
9 her testimony she is talking about a facility that's
10 being used for both interconnection and
11 non-interconnection purposes. I just want a
12 clarification.

13 MR. CHIARELLI: I'm using the same
14 hypothetical.

15 MR. ANDERSON: In your hypothetical the
16 facility is being used -- currently used solely for
17 interconnection purposes?

18 BY MR. CHIARELLI:

19 Q. Correct. And the follow-up questions are
20 dealing with your understanding of the financial
21 ramifications of having to order, to place on order,
22 for separate facilities, and I am just asking, are

1 you saying you don't know what the financial
2 ramifications are with respect to when somebody --

3 MR. ANDERSON: I guess I am going to object to
4 a characterization of her testimony. You are saying
5 that in that example she said there would have to be
6 an order for separate facilities. I'm not sure she
7 said that. Maybe I am --

8 BY MR. CHIARELLI:

9 Q. Ms. Pellerin, can you look at your
10 testimony? Do you use the words, "Sprint would have
11 to order separate facilities"?

12 A. Yes.

13 Q. And my question is, assuming --

14 MR. ANDERSON: But I've got to -- you are
15 mischaracterizing her testimony on the page. She
16 says, "In addition, since Sprint currently uses the
17 same facilities for interconnection and
18 non-interconnection purposes, Sprint would have to
19 order separate access facilities," and now you are
20 referring to a hypothetical in which the facility is
21 used solely for interconnection purposes. That's
22 where I am seeing a disconnect in the question and a

1 mischaracterization of the testimony, unless I -- I
2 mean, the witness can set me straight, but that's --
3 I think there is a mischaracterization of the
4 testimony.

5 JUDGE HAYNES: I'm not seeing the
6 mischaracterization you are saying. We are on to a
7 second hypothetical.

8 MR. ANDERSON: If we are on to a second
9 hypothetical, that's fine. I mean, the record to me
10 is confusing, because I believe Sprint counsel said
11 he was talking about the first hypothetical and now
12 asking her about testimony in which she was really
13 addressing a different situation.

14 BY MR. CHIARELLI:

15 Q. Are you confused, Ms. Pellerin?

16 A. Absolutely.

17 Q. All right. Let me start over.

18 JUDGE HAYNES: Okay.

19 BY MR. CHIARELLI:

20 Q. Fair enough. Whether you use the
21 hypothetical that's in your testimony or the
22 hypothetical that I posed, do you have any

1 understanding as to the financial ramifications that
2 are imposed upon Sprint when it has to place an order
3 for disconnection?

4 A. No.

5 Q. Do you recall a Mr. Farrar's testimony
6 where he talks about pricing for high capacity
7 facilities? Are you familiar with that testimony in
8 general, the application where Sprint is -- seeks
9 application of TELRIC pricing on a high capacity
10 facility for that portion of a high capacity facility
11 that's used for interconnection?

12 A. I think I understand his testimony.

13 Q. Okay. Can we walk through -- and I want to
14 walk through an example with you. And so for -- do
15 you need some paper?

16 A. I have some. Thank you.

17 MR. ANDERSON: Are you referring to a specific
18 portion of Mr. Farrar's testimony?

19 BY MR. CHIARELLI:

20 Q. Just the subject which she indicated she
21 was familiar with. Are you ready?

22 A. I am ready.

1 Q. Okay. It's not timed. The -- but do
2 assume that there is 50 high capacity DS3s currently
3 installed between Sprint and AT&T.

4 A. Fifty DS3s.

5 Q. Yes, ma'am. Now, those 50 DS3s would
6 represent DS1 capacity of 1400 DS1s, and I -- what I
7 did was I took 50 times 28.

8 A. I will accept that your math is right.

9 Q. Correct.

10 A. That it's the equivalent of 1400 DS1s.

11 Q. Correct.

12 A. In terms of capacity.

13 Q. Let's assume that the party's records
14 confirm that 700 of the 1400 existing DS1 capacity is
15 used for the purpose of 251(c)(2) interconnection.

16 A. Okay.

17 Q. So that the end result would be Sprint is
18 using 25 DS3s worth of capacity for the purposes of
19 251(c)(2) interconnection, and 25 DS3s are being used
20 for non-251(c)(2) purposes. Do you follow me?

21 A. Yes.

22 Q. Okay. Now, assuming the party's records

1 can confirm that Sprint is using 25 DS3s worth of
2 capacity for only interconnection purposes, is it
3 AT&T's position that there is anything that makes it
4 illegal for AT&T to implement the Talk America
5 decision by issuing a monthly or a quarterly credit
6 to Sprint for the difference between billing those 25
7 DS3s at TELRIC versus billing those 25 DS3s at the
8 current special access price?

9 A. I think that there is not enough
10 information there. If 50 of the DS -- I'm sorry --
11 if 25 of the DS3s are used only for 251(c)(2)
12 interconnection, then those 25 DS3s could be ordered
13 from the interconnection agreement and charged at the
14 TELRIC price that the companies have agreed to.

15 Q. And that would involve a disconnection and
16 reconnection, right?

17 A. It would involve -- depending on how they
18 are configured today. I mean, if you have -- let me
19 rephrase that. Hang on a second, if you would,
20 please. Assuming for discussion purposes for this
21 hypothetical that those 25 DS3s today are only used
22 for 251(c)(2), okay?

1 Q. Okay.

2 A. And they are all obtained from the special
3 access tariff today, Sprint would need to issue ASRs
4 to terminate those tariffed services, and there may
5 or may not be early termination charges, depending on
6 what Sprint originally ordered and how long they had
7 maintained those facilities in place, and Sprint
8 would issue 25 separate ASRs that could be
9 coordinated with the disconnects so there is no
10 physical disconnection of the cross-connects, and
11 those 25 DS3s would be charged the ordering charge.
12 Assuming they issued the orders electronically, the
13 ordering charge in the interconnection agreement to
14 establish that connection is \$11.44.

15 Q. Are you finished?

16 A. Yes.

17 Q. Okay. I absolutely move to strike as
18 unresponsive. The question was, is there anything
19 she is aware of that would make it illegal for AT&T
20 to issue a credit for services that were currently
21 priced under special access in order to implement the
22 TELRIC pricing?

1 MR. ANDERSON: I think the answer is fair. She
2 is explaining what her position is as reflected in
3 the proposal.

4 BY MR. CHIARELLI:

5 Q. And I will absolutely agree with Mr.
6 Anderson that that is what she is doing, and it's
7 totally nonresponsive to the question, the direct
8 question.

9 JUDGE HAYNES: I think that we will leave the
10 answer in the record, but can you answer the question
11 you were asked?

12 THE WITNESS: I cannot.

13 BY MR. CHIARELLI:

14 Q. Do you claim that it would be a violation
15 of AT&T's switched access tariff for AT&T to
16 implement TELRIC pricing simply by issuing a credit
17 for the difference between TELRIC based pricing and
18 the special access pricing?

19 A. I have not made that claim.

20 Q. I didn't --

21 A. I have not made that claim. I don't have
22 an -- I do not have an opinion.

1 Q. Would you agree with me that if AT&T were
2 to issue a credit to implement TELRIC pricing by
3 simply issuing a credit for the difference between
4 TELRIC pricing and the special access pricing, it
5 would be analogous to the discount that AT&T now
6 issues for shared facilities in that a discount would
7 be issued pursuant to the ICA, which is not provided
8 for in the special access tariff?

9 A. The problem that I am having is that you
10 are mixing different rate issues.

11 The shared facility factor that's
12 currently used to discount the special access
13 facilities is a recognition of AT&T's use of those
14 facilities for its originating traffic. The facility
15 is all still charged at the special access price.
16 What Mr. Chiarelli is talking about is taking those
17 facilities that were obtained from the special access
18 tariff under the terms and conditions of the special
19 access tariff and the rates that are in the special
20 access tariff and apply a discount to those that's
21 some calculation of the difference between the TELRIC
22 price in the interconnection agreement and the

1 special access price, still leaving them as special
2 access facilities to save I don't know what. I mean,
3 the termination -- the early termination charges are
4 based on -- let's take an example where let's say
5 Sprint has ordered a DS3 with a 5-year 60-month term,
6 and they are 40 months into the term. If they were
7 to terminate that special access service at that
8 point, there are 20 months remaining on that
9 commitment.

10 The prices that they would have
11 enjoyed for the first 40 months are based on that
12 60-month commitment, and that's lower than the price
13 for a 36-month commitment. It's lower than a
14 12-month. It's lower than the month-to-month. So I
15 think what Sprint is suggesting is that they be
16 relieved of their commitment at those special access
17 rates for the balance of the term and benefit from
18 the TELRIC price that is a totally different source
19 based on a totally different structure, and I
20 don't -- I can't -- whether you talk about what's
21 legal or what's not legal, I can't answer that. Just
22 to me, there is a conflict there in looking at what

1 you are describing.

2 Q. With respect to the point that you spoke
3 to, Sprint attempting to be relieved of obligations
4 it may have for termination early?

5 A. Yes.

6 Q. Likewise, those could be calculated as a
7 mathematical issue and the amount of termination
8 identified; isn't that accurate?

9 A. It could be, but I am having a hard time
10 understanding why this should be kept under a special
11 access umbrella for an \$11.40 ordering charge. Once
12 you are providing service from the interconnection
13 agreement it needs to be administered and monitored
14 and billed pursuant to the interconnection agreement,
15 and you are looking to keep it under the special
16 access tariff, but not make it a special access
17 tariff. It's not making any sense to me.

18 Q. And you would agree to the extent under
19 AT&T's view that we have to move 251(c)(2) facilities
20 that we have to order a new pipe to carry those
21 facilities, don't you?

22 A. No.

1 Q. Not at all?

2 A. No. The hypothetical you were giving me
3 was -- and the way I described it to you as I was
4 providing my answer was that there is 25 DS3s that
5 are used solely for interconnection today, and we
6 need to convert those from special access to
7 TELRIC-priced interconnection facilities from the
8 interconnection agreement. There needs to be no
9 physical disconnection of the cross-connect of that
10 facility.

11 The facility is identical. What's
12 different is the source of the pricing and the
13 regulatory treatment of that facility. I don't see
14 any point in looking to keep it under a special
15 access umbrella when it's only used for service from
16 the interconnection agreement?

17 Q. So is there a scenario under which you
18 envision that Sprint would, indeed, have to establish
19 new facilities in order to implement AT&T's view?

20 A. In the situation where -- that DS3 has both
21 interconnection and non-interconnection services that
22 are using it.

1 Q. And as you use that term, do you mean a DS3
2 and it has got 14 DS1s that are dedicated to the
3 purpose of interconnection and 14 that are dedicated
4 to backhaul? You would force them to be physically
5 split and reassigned to separate segregated
6 facilities?

7 A. In order for Sprint to receive the benefit
8 of the TELRIC pricing on the 14 DS1s that are used
9 for interconnection, yes.

10 Q. You would agree with me -- moving to a
11 different subject, the CAF order did bring both
12 access and nonaccess traffic under Section 251(b)(5),
13 correct?

14 A. Correct.

15 Q. And that is not something that's
16 prospective. That is -- while the pricing may be
17 different, that principle exists today as a result of
18 the CAF order --

19 A. I'm sorry. I'm having trouble hearing you.

20 Q. While the pricing might be different with
21 respect to access and nonaccess traffic for a period
22 of time, that principle that both access and

1 nonaccess traffic are now under 251(b)(5) is in place
2 today?

3 A. Yes. Prospective from the date of the
4 order.

5 Q. But AT&T does not want any definition of
6 251(b)(5) in the contract, correct?

7 MR. ANDERSON: I'm sorry. Could I have the
8 question back?

9 BY MR. CHIARELLI:

10 Q. AT&T does not want any definition of
11 251(b)(5) in the contract; is that correct?

12 A. That's correct.

13 Q. So AT&T wants no affirmative acknowledgment
14 that access and nonaccess are now 251(b)(5) traffic?

15 A. For the purpose of the contract, 251(b)(5)
16 is relevant in terms of the inter-carrier
17 compensation.

18 Q. Only --

19 A. If I may complete my answer, please.

20 Q. Sure. I'm sorry.

21 A. In that Connect America order, the FCC,
22 while they brought everything under 251(b)(5), still

1 provided separate compensation treatment for the
2 former 251(g) traffic. In other words, 251(g) as it
3 was applied still is in effect even though they
4 brought the traffic under the umbrella of 251(b)(5).
5 For the purpose of the interconnection agreement, the
6 fact that it's all now under the umbrella of
7 251(b)(5) is neither here nor there in terms of the
8 compensation of the interMTA versus intraMTA traffic,
9 and I think it adds a confusion factor, because the
10 FCC did bring it all under that umbrella, while in
11 the contract we have separate provisions and separate
12 ways of handling the traffic even though it's all
13 under 251(b)(5), and we are looking to avoid that
14 confusion.

15 MR. CHIARELLI: I move to strike as
16 nonresponsive.

17 MR. ANDERSON: I think that was perfectly
18 responsive.

19 JUDGE HAYNES: Denied.

20 BY MR. CHIARELLI:

21 Q. Does 251(b)(5) get exchanged over
22 interconnection facilities?

1 A. It can.

2 Q. Would you agree with me that access and
3 nonaccess traffic are now 251(b)(5) traffic? That's
4 what we just went through, correct?

5 A. Yes.

6 Q. Is there any reason why under the CAF order
7 all of Sprint's traffic to and from AT&T or anybody
8 else can't be carried over the interconnection
9 facilities?

10 A. The Connect America order addressed the
11 inter-carrier compensation; as far as I know, nothing
12 more and nothing less.

13 Q. I understand from your rebuttal testimony
14 that AT&T adopts the following intraMTA definition,
15 which AT&T attributes to Dr. Zolnierrek?

16 A. I'm sorry. Could you point me to my
17 testimony?

18 Q. Yes, your rebuttal Page 60 to 61 beginning
19 at Line 1552.

20 JUDGE HAYNES: What page again?

21 MR. CHIARELLI: I've got it at 60 to 61,
22 beginning at Line 1552; is that right?

1 JUDGE HAYNES: Thank you.

2 BY MR. CHIARELLI:

3 Q. That reads, "'IntraMTA Traffic' means
4 traffic that, at the beginning of the call,
5 originates and terminates within the same MTA, and
6 is originated by one party on its network from its
7 end user and delivered to the other Party for
8 termination on its network to its end user." Did I
9 read that correctly?

10 A. Yes.

11 Q. I will direct your attention back to the
12 diagram. I believe that was Sprint Redirect No. 1.
13 I want to assume an intraMTA call originated by an
14 AT&T customer in Springfield destined for a Sprint
15 customer in Chicago, and the AT&T customer has picked
16 a non-AT&T IXC as their long distance provider.
17 Would you agree that the customer dials one plus, the
18 call gets routed by the IXC via a Chicago POP to the
19 AT&T tandem, and AT&T delivers it to Sprint?

20 A. Yes.

21 Q. Even though the call is dialed and
22 delivered as a one plus call, it is a 251(b)(5)

1 intraMTA call as between Sprint and AT&T, correct?

2 A. Yes.

3 Q. Under AT&T's view of 251(c)(2), will AT&T
4 route that one plus intraMTA call to Sprint over the
5 TELRIC-priced 251(c)(2) interconnection facility?

6 MR. ANDERSON: Are you saying inter or intra?

7 MR. CHIARELLI: Inter.

8 BY THE WITNESS:

9 A. I'm sorry. Would you repeat the question,
10 please?

11 BY MR. CHIARELLI:

12 Q. Well, no, intra. Under AT&T's view under
13 AT&T's view of 251(c)(2), will AT&T route that one
14 plus intraMTA call to Sprint over the TELRIC priced
15 251(c)(2) interconnection facility?

16 A. No.

17 Q. That's because it was dialed one plus?

18 A. That's because it was an exchange access
19 call from the IXC. As between AT&T and Sprint it's
20 an intraMTA call, and there is no compensation.

21 Q. And for the purposes of interconnection,
22 that call is between Sprint and AT&T, isn't it?

1 A. It is between the IXC's customer and
2 Sprint. The IXC's customer happens to have drawn a
3 dial tone off of the AT&T switch.

4 Q. So you are drawing a distinction between
5 the retail dialing of the call versus the
6 compensation between the carriers over whether or not
7 the call is an interconnection call?

8 A. No. I'm not doing it based on the retail
9 dialing. I am doing it based on the fact that there
10 is an interexchange carrier involved.

11 Q. What's the difference?

12 A. The way a call is routed is based on the
13 number that the customer dials and what's of -- in
14 the various switches in terms of routing. So I could
15 stretch it to agree with you that it's based on how
16 the customer dials the call, but it's -- when I look
17 at the type of call, it's not purely -- it's not
18 based on how the customer dials it. It's how -- who
19 is involved in carrying the call.

20 Q. But the end result of AT&T's view of
21 251(c)(2) is that AT&T will not route that call over
22 the 251(c)(2) interconnection facility, correct?

1 A. Correct.

2 Q. And the end result of that decision is that
3 Sprint has to build two separate facilities, one for
4 251(c)(2) and one for AT&T's view of everything else?

5 A. I don't think that's a fair
6 characterization in the example that you are
7 providing with an intraMTA call that happens to be
8 interLATA that AT&T Illinois is not even allowed to
9 carry without giving it to an interexchange carrier.
10 That interexchange carrier interconnection would also
11 carry traffic from a whole variety of other customers
12 all around the country and, in fact, even around the
13 world.

14 So it's not like AT&T is suggesting
15 that Sprint needs to set up a special facility just
16 for AT&T's intraMTA interLATA traffic. It's all
17 traffic from IXC's.

18 Q. And Sprint's view is all traffic from all
19 IXCs can go over the interconnection facility, but
20 AT&T objects to that based upon its interpretation of
21 the words "exchange access" correct?

22 A. I think that's a fair characterization of

1 our dispute.

2 Q. I want to turn your attention now to
3 identifying the categories of traffic for which the
4 parties may bill each other on a per minute of use
5 basis; first, intraMTA traffic. Do you -- intra,
6 I-N-T-R-A. Do you agree that regardless of how
7 Sprint or AT&T may deliver intraMTA traffic to the
8 other for termination on their network, as between
9 Sprint and AT&T neither party will bill the other any
10 usage charges for intraMTA traffic?

11 A. Yes.

12 Q. And while we do not agree on the scope of
13 interMTA traffic that may be subject to usage charges
14 or what those charges may be, do we agree that
15 interMTA traffic is a second category of traffic that
16 will be exchanged between the parties, correct?

17 A. Yes.

18 Q. Now, third, although there is a dispute
19 over what the transit rate should be charged, the
20 parties agree that AT&T will bill and Sprint will pay
21 a transit rate on a per minute of use basis for
22 Sprint originated calls that AT&T transits to a third

1 party terminating carrier, correct?

2 A. Yes.

3 Q. Are there any other categories of traffic
4 for which AT&T believes it's entitled to bill Sprint
5 a usage charge pursuant to the terms and conditions
6 of the agreement being arbitrated?

7 A. Not with respect to the usage charges, no.

8 Q. Does your group generally provide
9 testifying services for all of the ILECs?

10 A. For the AT&T ILECs, yes.

11 Q. And does your group interface with any
12 other AT&T group to ensure that the positions taken
13 by AT&T ILEC or AT&T Mobility or AT&T CLEC aren't
14 inconsistent?

15 A. It's my understanding that there is a
16 corporate policy group.

17 Q. Do you work with them?

18 A. I personally do not. It may be that a
19 regulatory coordinator facilitates that, but I have
20 no personal knowledge of it.

21 Q. To your knowledge, does your testimony have
22 to be checked off on by anybody to make sure it's not

1 inconsistent?

2 A. Well, as I said, we have a regulatory team
3 that if there is -- if it's not a very simple -- for
4 example, a simple resale case that's very narrowly
5 focused that they frequently are involved in
6 reviewing what's going on with the ILEC and they
7 would bring in the policy people if they needed to or
8 if they thought it was appropriate to make sure that
9 the positions were not conflicting.

10 Q. Do you happen to know Mr. Bill Brown?

11 A. I do not.

12 Q. Do you know Mark Ashby?

13 A. I do not.

14 Q. Do you have any understanding as to what
15 AT&T Mobility's position is with respect to the
16 charging of access for traffic -- interMTA traffic
17 that's exchanged between a wireless carrier and an
18 ILEC?

19 A. I do not. The only thing that I know is
20 that we have an interconnection agreement with our
21 AT&T Mobility affiliate in each of our states, and
22 that's the extent of my knowledge on that. Whether

1 they have taken positions for future interconnection
2 agreements, I don't know, because I'm not involved in
3 anything they would be negotiating.

4 Q. You mentioned whether or not they took
5 positions for future agreements? I didn't --

6 A. Right. We have existing interconnection
7 agreements with Mobility. I'm not aware that we are
8 negotiating replacement agreements with them.

9 Q. Have you been made aware of any positions
10 that AT&T wireless has taken in any Commission
11 proceedings with respect to interMTA compensation?

12 A. I'm not aware.

13 Q. You are not aware of anything?

14 A. No, I'm not. My focus is on AT&T, the
15 ILEC.

16 Q. Okay. I would like to point you to your
17 rebuttal at Page 77 which contains a few paragraphs
18 from the first report and order discussing generally
19 intraMTA (sic) traffic.

20 A. Okay.

21 Q. Do you agree that the FCC's discussion that
22 you rely upon regarding the application of access

1 charges to CMRS traffic has not made its way into any
2 FCC regulation?

3 A. I'm sorry. Would you repeat that, please?

4 Q. Sure. Do you agree that the FCC's
5 discussion that you rely upon regarding the
6 application of access charges to CMRS traffic has not
7 made its way into any FCC regulation? And it's a yes
8 or no question.

9 A. I am thinking.

10 Q. I understand. I appreciate that.

11 A. There were -- and I don't know the numbers,
12 but there were two things that came out of Connect
13 America, one related to Subpart H and one related to
14 Subpart J of the Commission's -- the FCC's Part 51
15 rules, and the Part H regulation specifically stated
16 that intraMTA traffic is subject to bill-and-keep. I
17 don't recall that the FCC specifically said that the
18 other traffic in a regulation specific to CMRS is
19 subject to access. What the FCC did was they carved
20 out the CMRS intraMTA and said that's bill-and-keep
21 effective July 1st of last year going forward, and
22 they maintained the existing access regime that had

1 been established under 251(g) with the terminating
2 access subject to its six-year glide path to
3 bill-and-keep and the originating access delayed to
4 another day. They did not separately carve out CMRS.
5 It's treated just the same as other traffic.

6 Q. Well, with respect to the last thing that
7 you just said, it's treated with respect to like
8 other traffic, are you aware of anything, any FCC
9 regulation that authorizes the application of access
10 charges to CMRS traffic?

11 A. I am aware of an FCC order as opposed to
12 regulation, and I think that they have equal effects,
13 but --

14 Q. Okay.

15 A. -- I'm not aware.

16 Q. So my question is, are you aware of an FCC
17 order that affirmatively states -- well, so you are
18 not aware -- you are aware of an order, but you are
19 not aware of any FCC promulgated rule. Is that what
20 you are saying?

21 A. Right. In the first report and order the
22 FCC said that interMTA traffic is subject to access.

1 They did not promulgate that into a specific 51 dot
2 whatever rule specifically, but it is in the order.

3 Q. Are you saying the word "interMTA" appears
4 in the first report and order?

5 A. By inference.

6 Q. Can I hold you there?

7 A. You don't want me to explain?

8 Q. Well, in light of your answer I am going to
9 say -- by inference, my question is, is the word
10 "interMTA" in the first report and order?

11 A. No. But neither is the word "intraMTA" and
12 yet the first report and order dealt with both.

13 Q. Do you agree that there is no FCC
14 regulation that states if a wireless carrier carries
15 traffic from one MTA to another, that it owes
16 compensation to an ILEC?

17 A. I cannot think of a formal regulation that
18 says that. That doesn't mean that there isn't one or
19 that that kind of a payment would not be appropriate
20 pursuant to the FCC's orders, and the regulations are
21 what they are, but they aren't read in a vacuum. In
22 the first report and order the FCC clearly

1 identified -- all right. You have got to stop me.

2 Q. Page 77 of your rebuttal where you quote
3 Paragraphs 1036 and 1037 I want to direct your
4 attention to the last sentence of Paragraph 1043 at
5 Lines 2025 to 2031, and it appears you italicize this
6 sentence -- do you see that -- and it reads, "Based
7 on our authority under Section 251(g) to preserve the
8 current interstate access charge regime, we conclude
9 that the new transport and termination rules should
10 be applied to LECs and CMRS providers so that CMRS
11 providers continue not to pay interstate access
12 charges for traffic that currently is not subject to
13 such charges and are assessed such charges for
14 traffic that is currently subject to interstate
15 access charges." Do you see that?

16 A. Yes.

17 Q. Are you aware of any FCC regulation that
18 predates the first report and order which states that
19 a CMRS provider is subject to access charges simply
20 because it carried a call across an MTA boundary?

21 A. I am not knowledgeable, familiar with or
22 have any information about FCC regulations prior to

1 the first report and order.

2 Q. Okay. Would you agree that when read in
3 context, Paragraph 1043 only says that access charges
4 which were properly assessed on a CMRS provider prior
5 to 1996 would continue to be assessable after 1996?

6 A. Yes. And it's my understanding that those
7 access charges did apply prior to 1996.

8 Q. Do you agree that the Subpart J Rule
9 51.901(b) defines the scope of traffic that is
10 subject to the FCC's terminating access transition
11 rate rules?

12 A. I think Subpart J says what it says.

13 Q. Do you -- what's your understanding of
14 Subpart J? Do you agree or disagree that it defines
15 the scope of traffic that's going to be subject to
16 terminating access?

17 A. I think it says what it says. I am not
18 interpreting that. What I relied on was Subpart H
19 that specifically addresses CMRS intraMTA traffic as
20 being subject to bill-and-keep, and the FCC left
21 everything else in place. So by -- Sprint's traffic
22 is either interMTA traffic or it's intraMTA traffic.

1 There is no middle ground. The FCC was very clear in
2 Subpart J that intraMTA traffic is bill-and-keep.
3 They did not say that interMTA traffic is
4 bill-and-keep, and by excluding interMTA traffic from
5 that bill-in-keep it is by extension still subject to
6 the access charges that it has been subject to for
7 years.

8 Q. Prior to 1990 -- it's only subject -- you
9 would agree with me, it's only subject to access
10 charges to the extent it was subject to the access
11 charges before the 1996 Act; is that correct?

12 A. That's what 1043 of the first report and
13 order appears to say. I cannot interpret it beyond
14 that.

15 Q. So you have talked about Subpart H covers
16 intraMTA traffic, correct?

17 A. Yes.

18 Q. What subpart do you believe covers interMTA
19 traffic?

20 A. In general, I would say that Subpart J does
21 even though Subpart J does not specifically reference
22 interMTA traffic.

1 Q. And, in fact, there is particular, in fact,
2 specific categories of traffic that Subpart J does
3 reference, aren't there?

4 A. I believe so.

5 Q. Okay. And would you agree that the scope
6 of traffic that is subject to the Subpart J rules is,
7 "interstate or intrastate exchange access,
8 information access or exchange services for such
9 traffic?"

10 A. I will accept that.

11 Q. Okay. Rule 51.901(b), do you happen to
12 have that in any of your --

13 A. Not unless you gave it to me. You have
14 given me some rules. Let me see if it's in here.

15 Q. It will be in the CAF --

16 A. Yes.

17 Q. Sprint Cross No. 8, it begins the fourth
18 page from the back. If I could direct your attention
19 to -- it has 506 on the bottom.

20 A. I have it. Thank you.

21 Q. 51.901(b) -- as in boy -- would you agree
22 that that describes the scope of traffic that is

1 subject to terminating access charges?

2 A. Yes.

3 Q. And would you agree within 51.901(b) at the
4 end where it's -- actually where it's referencing "or
5 exchange services for such access." Do you see that
6 clause?

7 A. I see that.

8 Q. I mean, just ordinary reading, do you
9 believe that it's referring back to exchange access
10 and information access?

11 A. I think so, yeah.

12 Q. Okay.

13 A. You know, I don't know, because they
14 specifically talk about exchange access. So I'm not
15 sure what they mean by exchange services for such
16 access.

17 Q. Okay. Do you agree that the term "exchange
18 access" is a term of art that's defined by Congress
19 at 47 U.S.C. Section 153.20?

20 A. I will accept that.

21 Q. Do you have a working understanding of what
22 that definition means?

1 A. Yes.

2 Q. I believe we have already covered that,
3 correct?

4 A. Yes, we have.

5 Q. I notice that your rebuttal attached two
6 decisions, the LSI case and the second circuit Global
7 NAPs cases, cases that reject Sprint's view that an
8 exchange access call requires there to be a toll
9 component to the call. Is that a fair summary of --

10 A. I'm sorry. Could you repeat that, please?

11 Q. Sure.

12 A. I'm still having trouble hearing you when
13 there is outside noises.

14 Q. The -- I notice that your rebuttal attached
15 two decisions, the LSI case and the second circuit
16 Global NAPs case as the cases that reject Sprint's
17 view that an exchange access call requires there to
18 be a toll component to the call. Is that a fair
19 summary?

20 A. Yeah. That's an example of a case, yes,
21 Line Systems, Inc.

22 Q. LSI. And my question is, do you have any

1 familiarity with the initial ISP traffic case that
2 ultimately resulted in the FCC issuing its rather
3 well-known decision in which it created the .0007
4 reciprocal compensation rate?

5 A. I was familiar with it at one time. It's
6 been more than ten years. I don't remember.

7 Q. The Sprint Cross Exhibit, please?

8 JUDGE HAYNES: 10.

9 (Whereupon, Sprint Cross Exhibit
10 No. 10 was marked for
11 identification.)

12 BY MR. CHIARELLI:

13 Q. I will show you what's been marked as
14 Exhibit 10, the Bell Atlantic versus FCC case that's
15 reported at 206 F.3d 1 and ask if you know whether or
16 not that is the initial ISP case that was referred
17 back to the FCC and ultimately worked its way back up
18 through the courts?

19 A. I don't know. I have not seen this before?

20 Q. So I take it you have no familiarity as to
21 whether or not the statutory applications of the
22 terms "exchange access," "telephone exchange service"

1 and the fact that ISP customers were not charged a
2 toll, what those issues played in the Bell Atlantic
3 case in forcing it to be remanded back to the FCC?

4 A. I don't know anything about this case. I'm
5 sorry. I thought you were asking about the lenient
6 order that set the .0007 in the order itself. I read
7 at the time, but I don't know anything about what led
8 to it.

9 Q. I also noticed at Page 78 of your rebuttal
10 testimony, Lines 2033 through 2050 include Footnote
11 2485 from the first report and order.

12 A. Yes.

13 Q. And my question is, did you do any further
14 research to run to ground the citations that are
15 contained in Footnote 2485?

16 A. I did not.

17 Q. So you don't know whether or not if you
18 actually follow those all the way back if it gets you
19 back to the MTS and WATS market structure case?

20 A. That's what I said. I did not.

21 Q. Let's assume an AT&T End User No. 1
22 originated call to a Sprint customer who is based in

1 Chicago, but travels to New York; to AT&T that's
2 going to appear to be an intraMTA local call,
3 correct?

4 A. Yes.

5 Q. It's a call that's originated by the AT&T
6 End User No. 1, and it's designated for a Sprint
7 customer who has a Chicago telephone number, but has
8 traveled to New York.

9 A. So the AT&T end user also has a Chicago
10 telephone number?

11 Q. Yes, ma'am.

12 A. Okay.

13 Q. That would appear to AT&T to be an intraMTA
14 call, correct?

15 A. Correct.

16 Q. And we both agree that it is actually an
17 interMTA call if the Sprint end user is in New York
18 and Sprint takes care of hauling it to New York,
19 right?

20 A. Yes.

21 Q. In that scenario is there any toll charged
22 on either end?

1 MR. ANDERSON: I'm going to object or ask for
2 clarification on what you mean by toll.

3 BY MR. CHIARELLI:

4 Q. A charge other than what AT&T would charge
5 its end user to make a local telephone call.

6 A. Not that I know of, no.

7 Q. Okay. And would you agree with me, that
8 type of call, AT&T performs the exact same function
9 whether or not the Sprint CMRS end user is in New
10 York or when they travel back home and they happen to
11 be in Chicago.

12 A. I would agree that the functionality that
13 AT&T performs is the same in both cases. That
14 doesn't mean the regulatory treatment is the same.

15 Q. And under both of those scenarios AT&T is
16 providing telephone exchange service to its customer,
17 right?

18 A. I think so.

19 Q. This is going to be Sprint Cross 11.

20 (Whereupon, Sprint Cross Exhibit
21 No. 11 was marked for
22 identification.)

1 BY MR. CHIARELLI:

2 Q. I will show you an ex parte that was filed
3 by AT&T on April 16th, 2012, after the CAF order was
4 issued. Are you familiar with that ex parte filing?

5 A. No.

6 Q. So your job doesn't require you to keep
7 apprised?

8 A. I didn't know about it.

9 Q. Do you understand that AT&T has taken the
10 position before the FCC that 251(b)(5) "prohibits"
11 originating charges for VoIP traffic?

12 A. I'm not familiar with this.

13 Q. I understand you may not be familiar
14 with --

15 A. I'm not familiar with AT&T's position on
16 the VoIP. That is not an area that I address in my
17 testimony.

18 Q. Independent of your testimony --

19 A. I do not deal with VoIP.

20 Q. So you do not deal with -- okay. Well, let
21 me ask it this way.

22 A. I should say I have not had the opportunity

1 to deal with VoIP.

2 Q. Are you aware of there being carriers such
3 as Level 3 -- or Time Warner Cable is probably the
4 best one. Let's assume you've got a Time Warner
5 Cable CLEC that's connected to the AT&T tandem. Do
6 you have any understanding with respect to whether or
7 not all of their traffic is VoIP traffic or not?

8 A. I do not.

9 Q. Do you know whether or not AT&T has an
10 interconnection agreement with Time Warner Cable in
11 any of the 22 states?

12 A. I would assume that we do, but I don't know
13 personally of any particular agreements with Time
14 Warner. I am assuming that there are.

15 Q. I just want the record to be clear. You
16 have no understanding what AT&T's position is with
17 respect to interconnection with a CLEC that -- whose
18 originating and terminating traffic is 100 percent
19 VoIP?

20 A. The only thing that I am familiar with is
21 that our interconnection arrangements are at the TDM
22 level, not the IP level. If Level 3 has an IP

1 originating customer they would do the conversion to
2 TDM before they routed it to us. That's the extent
3 of my knowledge.

4 Q. Is it your position that AT&T's language
5 regarding interMTA traffic is intended to maintain
6 the status quo between the parties?

7 A. Yes.

8 Q. Are you aware that AT&T's efforts to impose
9 interMTA charges in the past based on the use of JIP
10 information resulted in multimillion dollar disputes
11 in litigation between the parties in numerous states?

12 A. I understand that there were disputes
13 between AT&T and Sprint. I was not personally
14 involved in those disputes, and as I understand it,
15 the parties reached a negotiated settlement.

16 JUDGE HAYNES: And that's, J-I-P?

17 BY MR. CHIARELLI:

18 Q. Yes, ma'am. And do you understand that the
19 primary problem with AT&T attempting to use JIP
20 information to bill interMTA charges is that JIP does
21 not identify the location of the cell tower that
22 originates or terminates a call?

1 A. I don't think AT&T is representing that it
2 would solely use JIP in order to bill Sprint. I
3 think that -- with the parties' current arrangement
4 they get together and review cell site data. JIP is
5 a way of evaluating some of that, but it is not
6 solely determinative.

7 Q. I mean, JIP is not used between the
8 parties. Do you understand that?

9 A. I understand that the parties negotiate a
10 factor based on cell site data that's used on a
11 quarterly basis. That does not mean that AT&T
12 doesn't use JIP to validate on its end the data
13 that's provided by Sprint, and this is not an area
14 that I know a whole lot about. I am explaining to
15 you the extent of my knowledge on it.

16 Q. But the AT&T language does not talk about
17 using JIP just for validation purposes, does it? It
18 talks about using JIP to establish the factor,
19 doesn't it?

20 MR. ANDERSON: Can you refer to the specific
21 language you are talking about, perhaps by reference
22 to an issue, so that we can look at it?

1 BY MR. CHIARELLI:

2 Q. It's Issue 39D. In particular, look at the
3 AT&T proposed 6.4.1.3.

4 A. Okay.

5 Q. And do you understand at least with respect
6 to wireless carriers, wireless carriers do not
7 populate JIP in the manner that AT&T has described in
8 this language?

9 A. I don't know that.

10 Q. Do you have any evidence to offer that they
11 do?

12 A. I don't recall.

13 Q. You can't point to anything in the record
14 today; is that a fair statement?

15 A. That's fair.

16 Q. That is going to be all of mine. We were
17 checking to determine on the offering of the exhibits
18 that we have marked.

19 JUDGE HAYNES: Okay.

20 MR. CHIARELLI: If we want to take -- you know,
21 I don't know if there is some that you can agree to
22 right now, or if there is some that you need to take

1 a look at. I am happy to visit with you and address
2 it after lunch.

3 MR. ANDERSON: Well, I mean, I don't have any
4 objection to Sprint's --

5 JUDGE HAYNES: You need to talk into your
6 microphone.

7 MR. ANDERSON: I think I do have an objection
8 to a number of the exhibits. I think I can say that
9 I have no objection to the admission of Sprint -- let
10 me ask you this. Are you offering all of these for
11 admission?

12 MR. CHIARELLI: Yes.

13 MR. ANDERSON: Well, I certainly have no
14 objection to Sprint Cross Examination Exhibit No. 5,
15 the -- if this is it.

16 JUDGE HAYNES: Okay. Does Staff have an
17 objection to Cross Exhibit 5?

18 MS. SWAN: No objection, your Honor.

19 JUDGE HAYNES: Sprint Cross Exhibit 5 is
20 admitted.

21 MR. ANDERSON: Was that the -- I'm sorry. Was
22 that the first one you offered today?

1 JUDGE HAYNES: 5 was the --

2 MR. ANDERSON: 5 was the first one. Okay.

3 JUDGE HAYNES: Yes.

4 MR. ANDERSON: We have no objection to the
5 admission of Sprint Exhibit 6, Cross Exhibit 6, which
6 is the map, the Illinois map.

7 MS. SWAN: Staff has no objections.

8 JUDGE HAYNES: Sprint Cross Exhibit 6 is
9 admitted.

10 (Whereupon, Sprint Cross Exhibit
11 Nos. 5-6 were admitted into
12 evidence.)

13 MR. ANDERSON: I would -- with respect to Cross
14 Exhibits 7, 8, 9, these are excerpts from the statute,
15 excerpts -- an excerpt from an order, Cross
16 Exhibit 8, excerpts from a statute, Sprint Cross 7,
17 and Sprint Cross Exhibit 9 is also an excerpt from a
18 statute.

19 I guess I would object to the
20 admission of those on the grounds that certainly the
21 statutes and an order are something that a party can
22 cite in its brief. I don't think it's necessary to

1 include it as an exhibit in terms of constituting
2 evidence in the record, particularly when they are
3 not presented in context with all the other rules,
4 for example, or the other statutory provisions, or in
5 the case of Sprint Cross Exhibit 8, which is an
6 excerpt offered for a certain proposition as set
7 forth in Paragraph 972, which was the first paragraph
8 of the excerpt. What this doesn't reflect is that is
9 actually a subsection of a larger part that deals
10 specifically with VoIP traffic as Ms. Pellerin
11 explained, but in any event, I don't think it should
12 be offered as an exhibit, you know, a truncated
13 version of the order. The order says what it says
14 and it can be cited.

15 JUDGE HAYNES: Sprint is there some reason that
16 these documents can't just be cited?

17 MR. CHIARELLI: More than anything -- we would
18 ask for judicial notice of it, but that being said,
19 more than anything, particularly the excerpt was --

20 JUDGE HAYNES: Which exhibit, 8?

21 MR. CHIARELLI: Exhibit 8 was for ease of the
22 parties.

1 MR. ANDERSON: And I have no objection of
2 distributing it and using it for the ease of the
3 parties in cross-examination. I just -- I object to
4 the admission of it as an exhibit.

5 JUDGE HAYNES: I think I agree, and they won't
6 be admitted as exhibits, but of course the parties
7 are free to cite to them.

8 MR. ANDERSON: And then, of course, the same --
9 I would say the same for Sprint Cross Exhibit 10,
10 which is --

11 JUDGE HAYNES: I agree. You can site to the
12 case if you want.

13 MR. ANDERSON: I believe the last one -- and I
14 may be mistaken, but the last one I have is Sprint
15 Cross Examination Exhibit 11, which is a letter that
16 Ms. Pellerin said she is not familiar with, has not
17 been read. I don't think it's relevant. I don't
18 think there has been a proper foundation laid for it.
19 So I would certainly object to the admission of that
20 document.

21 JUDGE HAYNES: Do you have a response to the
22 foundation argument?

1 MR. CHIARELLI: I would ask that you take
2 agency notice with respect to it being a matter filed
3 with the FCC, publically available.

4 MR. ANDERSON: I am going to have to review the
5 rules in terms of whether or not that's something
6 that -- I guess if they are asking for administrative
7 notice of it, I would like you to reserve ruling.

8 JUDGE HAYNES: I would have to say I don't know
9 enough.

10 MR. CHIARELLI: I would also claim it has
11 admission with respect to the policy on -- the
12 position with respect to the CAF order.

13 MR. ANDERSON: First of all, it certainly
14 appears -- and not even I have had a chance to fully
15 read it -- to be a comment on an aspect of the CAF
16 rule and an issue for which Ms. Pellerin does not
17 testify about related to the -- apparently related to
18 the imposition of access -- originating access
19 charges on certain types of VoIP to PSTN traffic.

20 It's not at all clear to me that
21 that's relevant. It's not at all clear to me that
22 the position taken in the letter, you know,

1 undermines anything Ms. Pellerin says or supports it.
2 I just don't know enough about it. I just don't
3 think there is enough foundation laid for it, and
4 secondly, with respect to the administrative notice,
5 Section 200.640 of the Commission's rules of practice
6 identify certain matters for which the Commission may
7 properly take administrative notice.

8 I do not believe that this letter
9 falls within any of the categories identified in that
10 rule. Certainly, rules, regulations, administrative
11 rulings and orders and written policies of
12 governmental bodies other than the Commission, which
13 would include the rules of the FCC, for example, but
14 there is no category that would allow administrative
15 notice of a letter such as this presented on an ex
16 parte basis in another agency.

17 JUDGE HAYNES: I think that we agree that the
18 foundation hasn't been laid, but we don't know at
19 this point, and so we are going to defer ruling on
20 whether or not administrative notice can be taken of
21 this document. Okay.

22 MR. ANDERSON: Have I covered all of the --

1 JUDGE HAYNES: That's all the exhibits, yes.
2 So the record is clear, Cross Exhibits 5 and 6 are
3 admitted into the record. 7, 8, 9 and 10 are not
4 admitted into the record, and we are deferring ruling
5 on taking administrative notice of Cross Exhibit 11,
6 and it's 12:25. Does AT&T have any idea of how much
7 redirect they have?

8 MR. ANDERSON: We may, but maybe this would be
9 a good time to take a lunch break, and then we can
10 discuss that at lunch.

11 JUDGE HAYNES: It will always be longer if you
12 get lunch to think about it. Do you have any idea at
13 this point how much --

14 MR. ANDERSON: Maybe. I just want to be able
15 to consult with the witness and my colleague. So we
16 can take a short break now if you would like, or we
17 can --

18 JUDGE HAYNES: Do you have any opinions; lunch
19 or a short break or --

20 MR. CHIARELLI: I don't have an opinion either
21 way.

22 JUDGE HAYNES: Okay. Well, then we will take

1 lunch. 1:15. Okay.

2 (Whereupon, a lunch break was
3 taken.)

4 JUDGE HAYNES: Do you have redirect for your
5 witness?

6 REDIRECT EXAMINATION

7 BY MR. ANDERSON:

8 Q. Yes, we have some very brief redirect, your
9 Honor.

10 Ms. Pellerin, early in Mr. Chiarelli's
11 cross-examination you were asked a series of
12 questions regarding a diagram, which I think is part
13 of the record as Sprint Redirect Exhibit 1. Is that
14 the proper designation?

15 A. Yes.

16 Q. I believe you were asked a question
17 regarding a call path that goes from the Sprint CMRS
18 Chicago MSC, which is -- and terminates with a
19 T-Mobile customer or a Level 3 customer on the
20 right-hand side of the page, correct?

21 A. Yes.

22 Q. Okay. And quite frankly as I sit here

1 today -- I can't -- as I sit here right now, I can't
2 recall specifically whether the example related to
3 the call terminating with the T-Mobile end user or
4 the call terminating with the Level 3 end user, but
5 in any event, I believe that you were asked whether
6 that call would represent the mutual exchange of
7 traffic on the PSTN. Do you recall that question?

8 A. Yes.

9 Q. And I believe you said it would, correct?

10 A. That's what I said, yes.

11 Q. Would you like to clarify your answer?

12 A. Yes. First, the presumption that whether
13 it was T-Mobile or the Level 3 end user is on the
14 public switched telephone network, putting aside the
15 question of what is or isn't the PSTN, the only
16 mutual exchange of traffic would be as between Sprint
17 and that terminating carrier, whether it's Level 3 or
18 T-Mobile. That is not a mutual exchange of traffic
19 between Sprint and AT&T.

20 Q. Okay. Thank you. You were also asked some
21 questions regarding a hypothetical related to a DS3
22 facility for which 14 of the DS1 capacity is used for

1 251(c)(2) interconnection and 14 of the DS1 capacity
2 on that facility is used for non-251(c)(2)
3 interconnection or traffic other than 251(c)(2)
4 interconnection, correct?

5 A. Yes.

6 Q. And you were asked whether or not under the
7 terms of this agreement whether if -- Sprint wanted
8 to obtain TELRIC-based interconnection facilities,
9 whether it would be required to establish a separate
10 facility for the interconnection traffic. Do you
11 recall that?

12 A. Yes.

13 Q. And I believe you said yes, correct?

14 A. Yes.

15 Q. Could you explain why that was your answer?

16 A. Yes. As I have testified in my written
17 testimony, and as is clear from a variety of orders,
18 the interconnection for 251(c)(2) is limited to the
19 mutual exchange of traffic as the FCC has defined
20 interconnection in Section 51.5, and so that's the
21 basis of my understanding that Sprint would not be
22 entitled to put traffic that was not compliant with

1 that definition of interconnection over 251(c)(2)
2 facilities.

3 One of the things that I think has
4 been a little bit confusing is this whole allocation
5 of portions of the DS3 facility to different
6 applications, and the DS3 has the capability of
7 handling the equivalent of 28 DS1s worth of traffic,
8 and a DS3 is basically channelized so that there are
9 28 DS1 channels on that DS3 facility. That does not
10 mean that a DS1 channel is a facility, and if you
11 look at the agreed pricing for interconnection
12 facilities for the contract, there are DS1
13 facilities, and there are DS3 facilities.

14 There is not, oh, here's a portion of
15 a DS3 that says 14 DS1s put together constitute some
16 facility. You have got DS3, and you have got DS1.
17 So while the DS3 has the capability of handling 28
18 DS1 channels worth of traffic, that doesn't turn
19 those channels into facilities.

20 MR. ANDERSON: Thank you. I have no further
21 redirect.

22 MS. SWAN: Staff has no questions.

1 A. I could show it to you and you could read
2 it.

3 Q. Sure.

4 A. I mean, I am not that savvy on legal
5 document sites. In the Supreme Court itself in the
6 slip opinion on Page 13 it says that entrance
7 facilities leased under 251(c)(2) can be used only
8 for interconnection.

9 JUDGE HAYNES: And do you mean the Talk America
10 case?

11 THE WITNESS: I'm sorry. Yes. Talk America.
12 Thank you. Connect America was way longer. I think
13 the Illinois Commission that ultimately ended up --
14 the Illinois Commission decision that ultimately
15 ended up before the seventh circuit also said that it
16 was to be used only for interconnection purposes.
17 There may be others, but --

18 BY MR. CHIARELLI:

19 Q. But those are the ones you are referring
20 to?

21 A. Yeah.

22 MS. SWAN: Just for Staff's clarification,

1 could you get the citations on the record, please?

2 MR. CHIARELLI: The one that she showed me is
3 seventh circuit court of appeals 526 F.3d 1069, the
4 Talk America case, and then she referred to the
5 Illinois cases, but --

6 BY THE WITNESS:

7 A. I may have referenced that Illinois case in
8 my testimony. I don't recall.

9 BY MR. CHIARELLI:

10 Q. The other -- excuse me. The other last
11 question I have got is you referred to a description
12 of a DS3 facility and it being channelized and that
13 there are prices in the pricing sheet, DS3 prices and
14 DS1 prices, correct?

15 A. Yes.

16 Q. And, in fact, that's one of the disputes,
17 not over the prices, but over Sprint's use of the
18 words "DS1 equivalents", correct?

19 A. Yes.

20 MR. CHIARELLI: No further questions.

21 MR. ANDERSON: No recross.

22 JUDGE HAYNES: Thank you. Thank you, Ms.

1 Pellerin.

2 And before we call the next witness,
3 with respect to Sprint Cross Exhibit 11, I think that
4 what we heard today wasn't enough for us to be able
5 to say whether we could take administrative notice of
6 it or not, and so at this point, we are not going to
7 do that, and if you want to file a motion to pursue
8 that you are free to do so.

9 MR. CHIARELLI: Thank you. Thank you.

10 JUDGE HAYNES: Good afternoon, Mr. Albright.

11 (Whereupon, the witness was duly
12 sworn.)

13 CARL C. ALBRIGHT,
14 having been first duly sworn, was examined and
15 testified as follows:

16 DIRECT EXAMINATION

17 BY MR. ORTLIEB:

18 Q. Good afternoon, Mr. Albright. Are you all
19 settled in there?

20 A. Yes, sir.

21 Q. Can you please -- the microphone is right
22 in front of you. Please speak into the microphone.

1 Could you state your name and spell it
2 for the record, please?

3 A. Carl C. Albright, Junior, A-L-B-R-I-G-H-T.

4 Q. And Mr. Albright, by whom are you employed
5 and in what capacity?

6 A. AT&T Services. My role is as Associate
7 Director of Network Regulatory.

8 Q. And you have before you what have been
9 marked as Exhibits 2.0 and 2.1?

10 A. Yes, sir.

11 Q. And are those your direct and rebuttal
12 testimonies in this proceeding?

13 A. Yes, they are.

14 Q. And just for the sake of specificity, does
15 Exhibit 2.0 contain schedules CCA-1 through CCA-6?

16 A. Yes, it does.

17 Q. And does Exhibit 2.1, contain Schedules
18 CCA-7 through CCA-8?

19 A. Yes, it does.

20 Q. And just to confirm, that constitutes your
21 direct testimony and your rebuttal testimony in this
22 proceeding?

1 A. Yes, sir.

2 Q. Do you have any changes or corrections to
3 make in that testimony?

4 A. No, I do not.

5 Q. If I asked you all of the questions
6 contained in those testimonies would your answers be
7 the same as reflected therein?

8 A. Yes, they would.

9 Q. Your Honors, at this point, I think AT&T
10 Illinois moves to admit Exhibits 2.0 and 2.1 with the
11 attached schedules and offers Mr. Albright for
12 cross-examination. I will state for the record that
13 the -- Mr. Albright's direct testimony was filed on
14 e-Docket on December 5th, 2012, and the rebuttal
15 testimony was filed on e-Docket February 13th, 2013.
16 Your Honors -- go ahead. I didn't mean to interrupt.

17 JUDGE HAYNES: We show CCA-9 as well.

18 THE WITNESS: As an exhibit?

19 JUDGE HAYNES: Yes.

20 BY MR. ORTLIEB:

21 Q. Thank you for that clarification, your
22 Honor. So let me ask the witness, Mr. Albright, does

1 your rebuttal testimony marked as Exhibit 2.1 also
2 contains the Schedule CCA-9?

3 A. Yes, it does.

4 Q. So, your Honors, my motion then would be to
5 admit in addition to the direct testimony the
6 rebuttal testimony to that one with Schedules CCA-7,
7 8 and 9?

8 MR. SCHIFMAN: I don't have an objection to the
9 admission, but there are documents that are
10 confidential. So there is a confidential version and
11 a public version of this testimony, so -- and the
12 confidential information, the Sprint information. So
13 I want to make sure that you admit two separate
14 versions of the testimony, a public and confidential
15 version.

16 JUDGE HAYNES: That absolutely should be
17 reflected on the record. So there is a public and a
18 confidential version. Were those filing dates the
19 same?

20 MR. ORTLIEB: Yes, they were.

21 JUDGE HAYNES: And that's for both the direct
22 and the rebuttal?

1 MR. ORTLIEB: Yes. There are confidential
2 versions of both.

3 JUDGE HAYNES: And are all of the -- which of
4 the attachments are confidential?

5 MR. ORTLIEB: None of the attachments to the
6 rebuttal testimony are confidential. With respect to
7 the direct testimony, CCA-2 is confidential. CCA-3
8 is confidential. CCA-4 and 5 and 6 are confidential.

9 JUDGE HAYNES: So only one is not confidential?

10 MR. ORTLIEB: That's correct.

11 JUDGE HAYNES: Okay. With that clarification,
12 does Sprint have an objection to admitting the
13 testimony?

14 MR. SCHIFMAN: None.

15 JUDGE HAYNES: Okay. Staff?

16 MS. SWAN: Staff has no objection.

17 JUDGE HAYNES: Those exhibits are admitted into
18 the record with the public and confidential versions,
19 and as previously filed on e-Docket. Okay.
20 Cross-examination.

21

22

1 (Whereupon, AT&T Illinois,
2 confidential and
3 non-confidential versions of
4 Exhibit 2.0, Schedules CCA-1
5 through CCA-6 and Exhibit 2.1,
6 Schedules CCA-7 through CCA-8
7 were marked for identification
8 and admitted into evidence.)

9 BY MR. SCHIFMAN:

10 Q. Hi, Mr. Albright. Ken Schiffman on behalf
11 of Sprint. How are you today?

12 A. Fine.

13 Q. Mr. Albright, looking at your direct
14 testimony, Page 1, it says on Lines 13 and 14 that
15 you -- that some of your job duties include
16 explaining and justifying AT&T's network
17 interconnection positions before regulatory and
18 legislative authorities. Did I read that correctly?

19 A. Yes, sir.

20 Q. Could you explain to us what type of
21 network interconnection positions that AT&T takes
22 before legislative authorities that you support?

1 A. Are you talking about, like, before the FCC
2 or --

3 Q. Well, it says legislative authorities. Do
4 you mean that to be before state legislatures?

5 A. The various state Commissions and the
6 various -- and the FCC, if we have anything that's on
7 a national level.

8 Q. Okay. But do you represent AT&T in
9 discussions with state legislatures as opposed to
10 state regulatory commissions?

11 A. No.

12 Q. Okay. So what did you mean by legislative
13 authorities here?

14 A. Well, I believe the FCC has legislative
15 authority.

16 Q. Okay. Do you talk to Congress about FCC's
17 network positions?

18 A. No, I do not.

19 Q. So your testimony is that you talked to
20 state commissions and the FCC regarding AT&T's
21 regulatory and legislative positions, right?

22 A. Correct. And while I have not personally

1 spoken before the FCC, I have provided written
2 documentation that our FCC staff, our legal staff in
3 D.C. has used to present before the FCC.

4 Q. Have you presented or supported any AT&T
5 personnel in state legislative efforts regarding
6 potential state legislation that AT&T is attempting
7 to enact?

8 A. No, I have not.

9 Q. Okay. So you are the witness here today
10 that knows the most about internet protocol; is that
11 correct, on the AT&T side?

12 A. I don't know if I would go that far, but
13 yes.

14 Q. Okay. You are being presented as the
15 witness to discuss IP-to-IP interconnection, right?

16 A. Yes, sir.

17 Q. Okay. And can you just describe to me what
18 you mean by internet protocol when you use it in your
19 testimony?

20 A. Internet protocol is a form of transmission
21 that allows packets to transport data as opposed to
22 the TDMA circuit or our traditional switched circuit

1 that has dedicated channels. In an IP packet format
2 packets can be utilized so that the -- I guess you
3 would say communications can be carried or traffic
4 can be carried more efficiently, where if you have a
5 dedicated circuit it may or may not be utilized. So
6 you may have idle channels while you have other
7 channels that are being used. In IP format, anything
8 that's idle, they can use this for other things. So
9 the packets allow them -- the IP protocol allows you
10 to manage that bandwidth more efficiently.

11 Q. And so do you agree with me that the
12 internet protocol type of protocol is a more
13 efficient protocol than circuit switch protocol?

14 A. Yes.

15 Q. Okay. And AT&T is transitioning to
16 internet protocol throughout its network, correct?

17 A. Are we --

18 Q. Transitioning to internet protocol in its
19 network?

20 A. Not at this time. The plan is to go that
21 way, but there is a lot that has to be answered as
22 far as how we are going to make that happen.

1 Q. And so you are talking about the efficiency
2 of the use of internet protocol. Is it more
3 efficient for carriers from a cost perspective to
4 utilize internet protocol as opposed to circuit
5 switched protocol?

6 A. Well, I'm not a cost expert. So I don't
7 know that I can answer that. I would assume that it
8 probably is.

9 Q. AT&T's desiring to move its network to
10 internet protocol, probably cost is one of the
11 reasons why it's doing so; is that right?

12 A. Probably.

13 Q. Okay. Are you familiar with the term "SIP"
14 S-I-P?

15 A. Only vaguely familiar with it.

16 Q. Is that a means by which carriers transmit
17 internet protocol for voice traffic?

18 A. I don't know that I can answer that
19 question. I have heard the term. I don't know the
20 term.

21 Q. And so when AT&T Illinois transmits traffic
22 to ATT Corp, do you know whether or not that is being

1 transmitted in SIP protocol or another type of IP
2 protocol?

3 A. I don't. The -- you are talking about --
4 explain to me what it is you are asking.

5 Q. Okay. I think you have answered that
6 question. I will move on. We will get back to that
7 diagram. Okay. I have handed to the witness the
8 testimony of Mr. James R. Burt from Sprint that's
9 been admitted into the record, and I am showing him
10 JRB Exhibit 1.5, which is identified as, "Petition to
11 Launch a Proceeding Concerning the TDM to IP
12 Transition." Do you have that document in front of
13 you, Mr. Albright?

14 A. Ah-huh.

15 Q. And could you turn to Page 4 of that
16 document, please, and about halfway down, right after
17 Footnote 7, can you read the sentence that ends with
18 Footnote 8?

19 A. Read Footnote 7?

20 Q. No. Don't read the footnote, but read the
21 sentence following Footnote 7, please.

22 MR. ORTLIEB: Could I just interpose an

1 objection here? First of all, there has been no
2 foundation laid with respect to this witness's
3 knowledge or familiarity with this document, and I
4 raise it now because Mr. Albright is a network
5 witness. He is a nuts and bolts witness here to
6 testify about those types of things rather than
7 pleadings and legal matters. So I wanted to get that
8 objection out there early on in this
9 cross-examination.

10 BY MR. SCHIFMAN:

11 Q. I mean, this is a document that's been
12 admitted into the record. It's a document that is
13 from AT&T filed at the FCC by which the Commission
14 can take judicial notice of even if it weren't
15 already admitted into the record. So this is an
16 official paper filed at the FCC, already been
17 admitted into evidence.

18 JUDGE HAYNES: That doesn't mean that he has
19 the knowledge to answer questions on it.

20 BY MR. SCHIFMAN:

21 Q. All right. I will ask him some questions
22 about it.

1 Have you ever seen this document
2 before?

3 A. No, I have not.

4 Q. Okay. Have you participated -- so you are
5 not aware of AT&T's positions that it takes
6 related -- time out. Strike that. Didn't you tell
7 me a few minutes ago right when we started this
8 examination that AT&T is transitioning its network
9 from TDM to IP, and it may take a few years?

10 A. No. I did not say they are transitioning.
11 I said their plan is to transition.

12 Q. And what, to your knowledge, is necessary
13 for that transition to be completed?

14 A. Well, I think they have to do cost analysis
15 and the studies that are involved with that. They
16 have to determine -- I think they need to know for
17 certain whether or not there is going to be -- what
18 regulatory requirements will be carried over, what
19 will be imposed, what -- how this is going to happen.
20 Is there going to be relief? How do we handle
21 transitioning this over in a seamless manner that
22 doesn't impact our customers or the customers of

1 other carriers. So I think there is a whole host of
2 questions that have to be answered and rectified
3 before you can just say, we are going to do it
4 tomorrow night.

5 Q. And isn't this petition the petition where
6 AT&T is seeking approval from the FCC to fix those
7 regulatory issues that you just mentioned in your
8 last answer?

9 A. Without having read it, I wouldn't know. I
10 would assume so, but I don't know.

11 Q. Okay. And do you want to take a minute to
12 look at it?

13 MR. ORTLIEB: Well, now, I still have an
14 objection pending. He doesn't -- I don't think any
15 of that established a foundation with respect to Mr.
16 Albright's familiarity with either this document in
17 particular or AT&T's policy initiatives at the FCC in
18 general, and I don't think it's fair game to
19 establish the foundation by making him review the
20 document.

21 BY MR. SCHIFMAN:

22 Q. All right. We are going to do it this way.

1 Mr. Albright, there is a sentence in
2 there on Page 4 that says, "As the Commission
3 understands, converged IP networks are more dynamic,
4 more versatile, resilient, and cost efficient than
5 legacy TDM networks." Do you see that statement?

6 A. Yes, I do.

7 Q. And do you agree with that statement?

8 A. I would say it's probably true.

9 Q. And why are they more cost efficient in
10 your view, IP networks rather than TDM networks?

11 A. Well, because you don't have to have the
12 dedicated -- as I was talking earlier about the
13 dedicated circuits that you would have in a TDM
14 network. You can take a packet and manage that more
15 efficiently, which means you can probably have a
16 smaller size pipe to handle the same amount of data
17 than would normally be required over a dedicated
18 circuit network.

19 Q. Okay. And what about points of
20 interconnection? Are there more or less points of
21 interconnection than an IP network? Do you have any
22 understanding?

1 A. I'm not sure that that's been determined at
2 this time, and how that would also be handled,
3 because I think an IP network is going to look much
4 different than the legacy TDM network.

5 Q. It's a much flatter network, isn't it?

6 A. I believe it is.

7 Q. And can you explain what you mean by
8 flatter network when you agreed with me on that?

9 A. Okay. In the TDM network we have a
10 hierarchical where you have your end users followed
11 by end offices, and those end offices subtend
12 tandems, and then those tandems then distribute
13 across to other tandems or across the network or via
14 IXCs to leave a particular state or a line of
15 boundary to carry that traffic. In an IP network you
16 have what's called an edge, and on that edge it looks
17 flat. So you may interconnect anywhere on the edge
18 of that IP network but then have access to the entire
19 IP network.

20 Q. And do you have an opinion as to how IP
21 networks are more dynamic than TDM networks?

22 A. Well, again, a TDM network has dedicated

1 trunks and dedicated paths. So if you want to get
2 from Point A to Point Z, you follow a specific path
3 to get there. In an IP network, because it has the
4 dynamics and it's able to take the packets and send
5 them in the most efficient manner, it may look out
6 through the network and determine this path is the
7 least congested or this path is the least congested.
8 It can direct the traffic in a way that most
9 efficiently manages it across that IP network.

10 Q. And in the question before and answer
11 before you talked about a flatter network. Do you
12 believe a flatter network means more cost efficient,
13 because you don't incur the costs for having that
14 complete hierarchy of different switches?

15 A. I believe that's correct.

16 Q. Are IP network switches cheaper or more
17 expensive than digital circuit switches?

18 A. I would say they are probably cheaper.

19 Q. Do you have an understanding as to an order
20 of magnitude?

21 A. No, I do not.

22 Q. Can you discuss with me the term

1 "resilient" and whether or not IP networks are more
2 resilient? Do you have an opinion as to how or why
3 IP networks may be more resilient than TDM networks?

4 A. Yes. Again, going back to the hierarchy,
5 you could have a -- say end offices that are served
6 by a tandem, and then that tandem distributes out to
7 the rest of the network if it needs to go out across
8 the PSTN to other locations. If you have a
9 congestion, a machine congestion or a failure at that
10 tandem, those end offices could potentially be
11 isolated from the network. In other words, the only
12 way to get to them is through that tandem.

13 In an IP network, as I said, because
14 you've got edges and it has a dynamic architecture,
15 it can say, this path is congested. So let's
16 redirect and go that way, much like you would use
17 your GPS satellite system to determine how to avoid
18 congestion on the roads.

19 Q. So in the TDM world if parties are
20 connected at a particular tandem, they have an
21 interconnection point there, there is not a way
22 dynamically for traffic to route from that tandem to

1 a different tandem; is that right?

2 A. Well, that would depend on the hierarchy
3 and how you have established that facility, and for
4 AT&T, we build a lot of redundancies into our network
5 to avoid those particular situations, but --

6 Q. An interconnecting carrier --

7 A. They often do not.

8 Q. Okay. And so if an interconnecting carrier
9 connected with AT&T in an IP format, they could
10 utilize the advantages of the resiliency that you
11 discussed in your previous answer, right?

12 A. Well, that's making an assumption that you
13 are -- that's making an assumption that AT&T has an
14 IP network, which it does not.

15 Q. Okay. Let's make that assumption, that
16 AT&T does have an IP network, and the parties are
17 interconnected in IP. Could the parties take
18 advantage -- both AT&T and the requesting carrier --
19 I will use Sprint as an example. Could those parties
20 take advantage of the resiliency of IP networks and
21 their ability to route traffic around points of
22 failure?

1 A. I have no doubt about that.

2 Q. Okay. When AT&T intends to transition from
3 its TDM network to IP network, does AT&T intend to
4 keep its TDM network around, or is it going to
5 basically disconnect it and just utilize an IP
6 network?

7 A. I think that's -- I think that's part of
8 the questions that have to be clarified for AT&T
9 is -- because I think ultimately we would like to
10 retire that network, but are we going to be bound by
11 the rules that govern us that require that we
12 maintain it, and if so, is there a transition period
13 where we maintain it for a certain period of time and
14 then it retires away, or are we going to be required
15 to maintain it forever and ever because there are
16 carriers who choose not to go to an IP network?

17 So I think those questions have to be
18 answered before AT&T then can make a final decision
19 on how we want to proceed with an IP transition.

20 Q. And do you have an understanding that the
21 petition before the FCC that AT&T filed has -- that's
22 some of the questions that are being asked by AT&T to

1 the FCC?

2 A. I would -- yeah, that sounds -- I would
3 believe that would be true.

4 Q. Okay. Do you agree that maintaining both a
5 TDM based and an IP based network is economically
6 wasteful and exorbitantly expensive?

7 A. I'm sorry. Say that again.

8 Q. Do you agree that maintaining both a TDM
9 based and an IP based network is economically
10 wasteful and exorbitantly expensive?

11 A. I would agree with that. That's probably
12 why AT&T has filed this petition.

13 Q. And do you agree that the threat of that
14 outcome could reduce a particular carrier's incentive
15 to invest in a new IP based network?

16 A. That would probably impact any carrier,
17 including AT&T.

18 Q. Right. And do you think that would impact
19 a carrier like Sprint also if it's moving to an IP
20 network and it's forced to maintain a TDM based
21 network just for interconnection? Do you think that
22 would be exorbitantly expensive and wasteful as well?

1 A. I'm not sure that that would be an accurate
2 description of how it would occur.

3 Q. Okay. But do you agree that it would be
4 economically wasteful and exorbitantly expensive for
5 any carrier to have to maintain two networks in order
6 to interconnect with a particular incumbent carrier?

7 A. Yes. And I don't believe that anyone has
8 suggested that a carrier should have to do that.

9 Q. But you are suggesting that Sprint in this
10 case has to interconnect with AT&T only in a TDM
11 matter; is that right?

12 A. That's the TDM network that currently
13 exists for AT&T, yes.

14 Q. So as it stands right now as we sit here
15 today, AT&T says that Sprint must interconnect with
16 AT&T Illinois and TDM, right?

17 A. Correct.

18 Q. Okay. Do you have an understanding of the
19 term PSTN, public switch telephone network?

20 A. Yes.

21 Q. In your view is the PSTN only TDM
22 technology?

1 A. At this point, yes.

2 Q. Okay. So the IP network that AT&T intends
3 to build is not part of the PSTN?

4 A. Well, I think that would probably be
5 something that would have to be clarified, what's it
6 going to be -- how is the PSTN going to be impacted
7 by a conversion over to an IP network? What's it
8 going to look like? Do LATA boundaries even exist?
9 Do state boundaries exist?

10 There are so many questions that are
11 left open to -- going to an IP architecture that I
12 think there is going to be questions not only at the
13 FCC or the federal level, but I think even the states
14 are going to have to struggle with how they are going
15 to implement rules that govern an open architecture.

16 Q. But at its core public switched telephone
17 network means lots of providers out there. It's in
18 the public interest for all the providers to be able
19 to interconnect with each other, right?

20 A. Correct.

21 Q. And the basis in the public switched
22 telephone network is that a customer of Carrier A is

1 allowed to send a call and receive a call from a
2 customer of Carrier B. Will you agree with that?

3 A. I agree.

4 Q. And do you think it's an important public
5 policy to maintain that type of interconnection
6 between customers of different carriers?

7 A. Yes.

8 Q. Okay. The next exhibit in that book is JRB
9 1.5 or 1.6. Excuse me.

10 MR. ORTLIEB: Can you give me a moment?

11 BY MR. SCHIFMAN:

12 Q. Sure. And I will identify it as an AT&T
13 press release entitled, "AT&T to invest \$14 billion
14 to significantly expand wireless and wireline
15 broadband networks, support future IP data growth and
16 new services." Do you see that?

17 A. The heading on it, yes.

18 Q. And are you familiar that AT&T issued a
19 press release in November 7th, 2012 announcing an
20 expansion of its wireless and wireline networks?

21 MR. ORTLIEB: And I'd object. At this point,
22 your Honors, the objection here is slightly different

1 from last time. It's a scope objection. Mr.
2 Albright in the IP topic talks about what the RIP
3 network is, how a TDM to IP conversion takes place.
4 He does not talk about an overall transition from our
5 current TDM network to an IP network, and counsel has
6 talked now for the last 15 minutes about that, and I
7 think your Honors have given him a great deal of
8 leeway in doing that, but at this point, I would just
9 like to interpose an objection to see if we cannot
10 limit that.

11 MR. SCHIFMAN: Well, I disagree. Mr.
12 Albright's testimony discusses whether or not AT&T
13 has an IP network with which a company like Sprint
14 can interconnect. As you will see from these
15 questions and from the statements in the press
16 release, AT&T is expanding its wireline IP network.
17 I am attempting to understand what type of scope that
18 AT&T wireline IP network is going to be, what kind of
19 impact that will have on subscribers if other
20 carriers are not allowed to interconnect in IP and
21 various other questions that are listed here in the
22 press release.

1 JUDGE HAYNES: Overruled.

2 BY MR. SCHIFMAN:

3 Q. Thank you. Mr. Albright, can you see at
4 the bottom of that first page there is a heading that
5 says, "Investing in wireline IP network growth?"

6 A. Yes.

7 Q. And it says that AT&T plans to expand and
8 enhance its wireline IP network to 57 million
9 customer locations, consumer and small business or
10 75 percent of all customer locations in its wireline
11 service area by year end 2015. Do you see that?

12 A. Yes.

13 Q. So AT&T announced an expansion of its
14 wireline IP network. It's a pretty aggressive
15 expansion, right?

16 A. I would say so.

17 Q. And it's a pretty aggressive time frame,
18 year end 2015, right?

19 A. I would say so.

20 Q. So as we are sitting here right now, you
21 know, we are less than -- we are about a little more
22 than two and a half years away from the end of that

1 expansion, right?

2 A. Right.

3 Q. Okay. So 75 percent of all customer
4 locations it says in there. So what does that mean
5 to you? Does that mean that IP -- voice over IP will
6 be available to 75 percent of all customer locations
7 by the year end 2015?

8 A. It looks like our goal.

9 Q. Yeah. And so what about the remaining
10 25 percent?

11 A. I wouldn't know. I'm not even sure how
12 this is going to happen.

13 Q. Okay. And so 57 million customer
14 locations, let's say -- let's assume that AT&T meets
15 its aggressive goal to expand its wireline network to
16 57 million customer locations or 75 percent of all of
17 its customer locations. Is it your understanding
18 then that customers in that that are part of the
19 75 percent will be given the opportunity to originate
20 calls in IP format? So it will be using VoIP, voice
21 over IP?

22 MR. ORTLIEB: My objection on this one is to

1 foundation. There has been no -- in addition to
2 being outside the scope of Mr. Albright's testimony,
3 there has been no showing that he has any particular
4 knowledge of the subject matter being inquired about
5 other than the press release that anybody has.

6 MR. SCHIFMAN: I think Mr. Albright is here to
7 discuss AT&T's IP network. This press release
8 directly relates to the scope of AT&T's IP network
9 and what it's planned to be and what customers will
10 or will not be able to -- what type of protocol
11 customers will utilize in initiating or terminating
12 telephone calls as we move into the future.

13 JUDGE HAYNES: Overruled.

14 BY MR. SCHIFMAN:

15 Q. So will customers be -- well, first of all,
16 let me ask you this. Do AT&T Illinois U-verse
17 customers right now initiate calls in voice over IP
18 format?

19 A. AT&T U-verse customers have the option.
20 That's one of the options that's available in the
21 U-verse bundle.

22 Q. The voice over internet protocol is being

1 utilized by at least some of AT&T Illinois U-verse
2 customers, right?

3 A. Yes.

4 Q. And so do you expect that the customers who
5 are in the 75 percent that are mentioned here -- that
6 are mentioned here in the press release, do you
7 expect that they will have the option to initiate
8 calls in voice over internet protocol format?

9 A. I read a little bit ahead and from what I
10 read in this press release it appears that it's
11 referring to the current U-verse footprint and the
12 planned expansion of the U-verse footprint. So from
13 reading that it looks as if they are talking about
14 AT&T's U-verse footprint will go -- will, I guess,
15 pass about 57 million customers with a -- past their
16 homes.

17 So I think that's what they are
18 talking about here. There are areas in AT&T -- in
19 the AT&T network that do not have U-verse and there
20 may not be plans to have U-verse available to them
21 because of the distance limitations at this time. So
22 that may be what it's referencing here. I would have

1 to take time and read through this whole --

2 Q. Okay. Thank you for that answer. I
3 appreciate it.

4 So up on the board there is a blow-up
5 of CCA-9, which was attached to your testimony,
6 right, Mr. Albright?

7 A. Yes.

8 Q. And is that a representation of AT&T
9 Illinois' current U-verse network?

10 A. Yes, that's the U-verse network.

11 Q. Okay. And is it -- would it also be a fair
12 representation of AT&T's network as it goes forward
13 when it expands to more customer locations?

14 A. I would say in the foreseeable future if we
15 are talking about U-verse that's probably how it will
16 continue to be, yes.

17 Q. Okay. All right. And U-verse, is that
18 provided to both residential customers and business
19 customers?

20 A. I'm not in the marketing group. I would
21 assume it could be, but I don't know for sure.

22 Q. Does AT&T provide business voice over IP

1 services to businesses and enterprises?

2 A. Yes, it does.

3 Q. And do you know if that's being provided by
4 AT&T Illinois or some other AT&T entity?

5 A. Any VoIP services are provided via ATT
6 Corp, our internet affiliate.

7 Q. Okay. And what about AT&T -- what about
8 U-verse services, are those being provided by your
9 internet facility, ATT Corp, or are they being
10 provided by AT&T Illinois?

11 A. Yes, they are being provided by AT&T Corp.

12 Q. So you are telling me the person pays the
13 bill to ATT Corp rather than AT&T Illinois for
14 U-verse services?

15 A. No. We have consolidated billing so that
16 customers can receive one bill, and that bill may
17 include -- for U-verse service that may include their
18 video if they have, you know, U-verse TV. It would
19 include their internet if they have internet service,
20 their VoIP, and they could even include their AT&T
21 Mobility on that single bill.

22 Q. So is U-verse services provided pursuant to

1 tariffs on file with the state commission here; do
2 you know?

3 A. I don't know.

4 Q. Okay. Let me point you to your testimony
5 on Page 8 of your direct, Lines 191 through 195.

6 A. Yes.

7 Q. Okay. Doesn't that say that AT&T Illinois
8 does have retail U-verse customers?

9 A. Yes.

10 Q. Isn't that different from the answer you
11 just gave me that said -- where you said ATT Corp has
12 U-verse customers?

13 A. The fact that we have retail customers
14 doesn't necessarily mean that we are providing that
15 switching or that VoIP service on their behalf.

16 Q. I'm not asking you about the switching or
17 anything else. I am just asking you -- I am reading
18 your testimony and you say AT&T's -- the question is,
19 what about AT&T Illinois retail customers? Doesn't
20 AT&T Illinois have retail U-verse customers who
21 originate or terminate VoIP, V-O-I-P, and then it
22 says (voice over internet protocol) calls in IP

1 format. Do you see that question?

2 A. Yes.

3 Q. Okay. And tell us what your answer is.

4 A. Yes. AT&T Illinois does have those
5 customers.

6 Q. Thanks. Regarding the press release we
7 were looking at and the customers who were not going
8 to be covered by the ATT U-verse network, do you know
9 what the plans are for them, or is AT&T going to make
10 a TDM service available to those remaining customers?

11 MR. ORTLIEB: Objection, foundation, relevance,
12 scope.

13 I can explain that if you would like,
14 your Honors, and I will. There is no foundation,
15 first of all. I mean, he has been allowed to testify
16 so far about, you know, the wireless -- I'm sorry --
17 the IP network and how it will expand. Now, we are
18 moving completely into a new realm, which is what's
19 going to happen to those customers who are not going
20 to be within the footprint of this further expansion.
21 So it's not relevant to his testimony. He didn't
22 talk about that, and there is no foundation that he

1 has that knowledge, because that is a policy
2 question. That is not a nuts and bolts question.

3 MR. SCHIFMAN: Well, AT&T just can't come up
4 here and say that a witness can only answer questions
5 about particular items. His testimony covers IP and
6 TDM interconnection. We have -- Mr. Albright is
7 talking throughout his testimony about whether or not
8 a particular company, AT&T Illinois, has IP capable
9 equipment, who owns the particular types of
10 equipment, whether it's ATT Corp or AT&T Illinois.

11 I mean, as far as I can tell,
12 ownership of a switch is not a nuts and bolts
13 technical matter. That is a policy matter that Mr.
14 Albright is testifying about in his testimony. And
15 so I think it's fair to ask what's going to happen
16 and how is Sprint going to be able to interconnect
17 with the TDM customers once the IP network is built
18 out.

19 MR. ORTLIEB: What Mr. Schiffman is asking for
20 is to abolish all rules of evidence. I mean, we very
21 much can insist that a witness only talk about the
22 scope of his testimony. Just because Mr. Albright

1 happens to know about network issues as it relates to
2 IP, doesn't mean that he can be dragged into the
3 policy world and start talking about policy issues
4 and the legalities of -- you know, that he has no
5 familiarity with.

6 JUDGE HAYNES: If you could rephrase your
7 question and point the witness to what part of his
8 testimony you are cross-examining him on.

9 BY MR. SCHIFMAN:

10 Q. Okay. Well, let's rephrase this.

11 Let's assume AT&T has finished its
12 network expansion for U-verse services by the end of
13 2015, and let's also assume that Sprint has an IP
14 network, that Sprint wireless has an IP network
15 capable of interconnecting with other carriers in IP
16 format, okay? Do you follow me?

17 A. Yes.

18 Q. Okay. In that scenario, how will Sprint be
19 able to interconnect with AT&T when Sprint is -- when
20 a Sprint caller is originating a call and terminating
21 it to an AT&T TDM customer?

22 A. I don't know that I know the answer to

1 that, because according to this, I don't know what's
2 going to happen to those 25 percent that are still
3 out there.

4 Q. Okay. What about an IP U-verse customer of
5 AT&T? Let's assume the same facts, the same
6 scenario, what type of interconnection will AT&T make
7 available to Sprint in that scenario?

8 A. Well, I believe even today if Sprint wanted
9 to connect IP-to-IP that ATT Corp has an IP network
10 with which it could interconnect. That's an
11 affiliate. That's not AT&T Illinois, but ATT Corp
12 currently does interconnect through the internet. So
13 what that might look like in 2015, I don't know.

14 Q. Okay. Do you have an understanding of
15 whether AT&T Illinois will make IP interconnection
16 available to an IP carrier like Sprint either now or
17 in 2015?

18 A. I don't know at this time.

19 Q. Well, is your answer for now -- is the
20 answer, no, that AT&T Illinois does not make IP
21 interconnection available to Sprint?

22 A. AT&T Illinois does not have an IP capable

1 network.

2 Q. Let me ask you this question, and I think
3 you answered it, and I understand your answer, but I
4 just want to make sure I get it clear for the record.
5 So kind of leave out the IP capable network part of
6 it. I just want to understand, will AT&T Illinois
7 make IP interconnection available to Sprint under
8 Section 251(c)(2) arrangement today?

9 A. Today we don't have an IP network with
10 which to provide an IP-to-IP interconnection.

11 Q. So is the answer no to my question?

12 A. I would say the answer is no.

13 Q. Okay. And referring to your testimony on
14 those Lines 191 to 195, is your answer the same -- is
15 your answer limited to just residential customers, or
16 does it include business customers? In other words,
17 does AT&T Illinois have business retail customers
18 that originate calls in VoIP?

19 A. I believe we do have some BVoIP customers,
20 yes.

21 Q. Do you have an idea as to how much what the
22 percentage is of AT&T's customers that originate

1 calls in VoIP today?

2 A. No, I do not.

3 Q. Do you have any idea -- and I mean, just
4 kind of rough terms, 1 percent, 50 percent,
5 90 percent?

6 A. No, I don't know.

7 Q. So it could be as little as 1 percent. It
8 could be as much as 100 percent. You don't know?

9 A. It's not 100 percent, no. I mean this --
10 this document you showed me a while ago says that
11 currently we plan to expand to reach about eight and
12 a half million customers to reach a total of 33
13 million by the end of 2015. So that would say that
14 at this point we have probably only around 20 or
15 so -- 20 million or so households that AT&T passes
16 with U-verse service. Now that doesn't mean that all
17 20 millions of those households have AT&T Service.

18 They could have any other carrier as
19 their provider, but we have the potential for that
20 many households that we can provide service. So I
21 would say there is some subset of that may have the
22 VoIP service.

1 Q. And that document I showed you also had a
2 category -- first it said U-verse, and then it had
3 another category that said U-verse IP DSLAM.

4 Do you have an understanding as to
5 what the difference is between U-verse service and
6 U-verse IP DSLAM?

7 A. Well, the DSLAM is in the network. That's
8 what is out there in that diagram that says SAI, the
9 service access interface. The DSLAM sits right there
10 at the FTTN. So I'm not too sure what the difference
11 is.

12 Q. And this is just me thinking. You can
13 either confirm or deny what my supposition is here,
14 but I believe it means U-verse services voice, video
15 and data and U-verse IP DSLAM is just voice and data.
16 Does that comport with your understanding, or you
17 have no idea?

18 A. I'm not too sure what this means, because,
19 like I said, in our U-verse network the DSLAM sits
20 right out there. So I'm not too sure why they made
21 the distinction. My guess would be this document was
22 written by someone in marketing that probably doesn't

1 understand the network architecture.

2 Q. But it says (high speed IP internet access
3 and VoIP) under U-verse IP DSLAM, right?

4 A. Yes, I see that.

5 Q. Okay. And the service above that U-verse
6 says; TV, internet, voice over IP. So U-verse
7 appears to include TV and U-verse IP DSLAM does not?

8 A. Right, it appears to be.

9 Q. Okay. And is it your understanding that
10 AT&T's really not U-verse and U-verse IP DSLAM kind
11 of -- not separately, but they are different
12 services. So, for example, some customers may have
13 TV available to them over that network that's in
14 CCA-9 and some other customers may not; is that true?

15 A. Well, that appears to make that
16 distinction. I have not heard of that, but --

17 Q. Okay. So anything about the network, do
18 you understand that it would allow TV to be delivered
19 to some customers and not to others?

20 A. Unless it's a distance limitation, which if
21 that's the case, then you have a distance limitation
22 with your internet and your VoIP service as well.

1 So, no, I'm not sure what that is or why that would
2 be in there. I don't know.

3 Q. Okay. Do you know who -- hold on. Do you
4 know who Bob Quinn is for AT&T?

5 A. No.

6 Q. You don't know he is the Senior Vice
7 President, Federal Regulatory and Chief Privacy
8 Officer of AT&T?

9 A. Don't know him.

10 Q. Okay. All right. We are marking this what
11 is Sprint Cross Exhibit 12.

12 Okay. Mr. Albright, do you have
13 before you what's been marked for identification as
14 Sprint Cross Exhibit 12?

15 A. Yes.

16 (Whereupon, Sprint Cross Exhibit
17 No. 12 was marked for
18 identification.)

19 BY MR. SCHIFMAN:

20 Q. Okay. And do you see this is a document
21 that was filed at the FCC by AT&T?

22 A. It appears to be, yes.

1 Q. And does this appear to discuss the issues
2 that we have been talking about, AT&T's plans for
3 the -- as to what actions the FCC should take to
4 facilitate the retirement of legacy TDM based network
5 services and transition to an IP based network?

6 MR. ORTLIEB: Objection. This, like the prior
7 document shown to the witness, the witness has not
8 indicated that he has ever seen this document, never
9 worked with this document. So there is a lack of
10 foundation.

11 JUDGE HAYNES: Can you lay a foundation for
12 this document?

13 BY MR. SCHIFMAN:

14 Q. Okay. Have you seen this document before,
15 sir?

16 A. No, sir.

17 Q. Okay. Have you -- are you familiar with
18 AT&T's requests for the FCC to sunset the TDM
19 network?

20 A. I am familiar with that.

21 Q. And do you understand that this letter is a
22 document filed consistent with that request?

1 MR. ORTLIEB: Objection. That doesn't
2 establish foundation.

3 MR. FRIEDMAN: Briefly in the interests of
4 speeding this along, here is what makes this
5 improper. All right. With -- put aside the fancy
6 words about foundation and so forth. One does not
7 put in front of a witness a document that the witness
8 has never seen and ask the witness to opine on what
9 it appears to be.

10 I can say what this appears to be,
11 Judge Haynes, as can you, as can the gentleman over
12 there. It serves no purpose to have this man say,
13 oh, yes, that is what this appears to be. Nor is
14 there any purpose that can possibly be served by
15 asking this man who has not seen this document and
16 for whom there is no indication that he knows
17 anything about it or has ever had any connection with
18 it -- anything about the document.

19 MR. SCHIFMAN: Well, besides the piling on
20 aspect of it, I thought we agreed that we weren't
21 allowed to pile on, but we will move on from that.

22 JUDGE HAYNES: I agree with that, but besides

1 the fact that Professor Friedman jumped in, Mr.
2 Ortlieb did have an objection as to foundation, and I
3 think that -- I know that I agree that a proper
4 foundation has not been laid.

5 MR. SCHIFMAN: Well, may I attempt --

6 JUDGE HAYNES: You may attempt.

7 MR. SCHIFMAN: -- a couple more questions, and
8 if you agree that the foundation hasn't been laid,
9 then we will move on, okay?

10 JUDGE HAYNES: Okay.

11 BY MR. SCHIFMAN:

12 Q. Mr. Albright, you said you were familiar
13 with AT&T's requests for the FCC to retire the TDM
14 network right?

15 A. Well, I know that we have approached the
16 FCC to ask for some clarifications on how we can
17 proceed with a transition to IP and what will be the
18 rules, how will we do that and a myriad of questions
19 about how we are going to go about doing that and not
20 be socked in the middle of it with, you know --

21 Q. And you understand that as part of that
22 approaching the FCC AT&T filed a petition asking for

1 the FCC to do certain things, right?

2 A. Yes, I understand that was filed.

3 Q. Okay. And do you understand that once a
4 carrier files a petition with the FCC there are times
5 when it goes in and talks to the FCC about the items
6 that are in its petition?

7 A. Yes.

8 Q. In fact, you told us that you have provided
9 support for filings at the FCC previously; is that
10 right?

11 A. Yes.

12 Q. Okay. And you have told us that. Have you
13 also provided support for ex partes that were filed
14 at the FCC?

15 A. Yes, that was with the tri-annual review.

16 Q. So you are familiar with the process by
17 which carriers go in and talk to the FCC and file ex
18 partes that summarize the meetings that that carrier
19 had with the FCC, right?

20 A. Right. But I am not directly involved with
21 those.

22 Q. You are not directly involved with the

1 filing of the ex parte?

2 A. Right. Or even going up there. Everything
3 that I did was from my office in Dallas talking with
4 the DC and then providing them with responses in an
5 e-mail about how they should -- you know, what kind
6 of questions or what kind of impact do we see that's
7 happening on the network if the ruling is this way or
8 that way. That was for the tri-annual review. So,
9 yeah, I provided their attorneys with some network
10 background on that, and then they filed whatever they
11 did with the TRO. I did not --

12 Q. But you are familiar with the process of
13 filing of ex partes and providing -- and how carriers
14 provide input to the FCC as part of that process,
15 right?

16 A. Yeah, I would say at a high level.

17 Q. Well, I think the witness understands the
18 ex parte process. He is involved in the process here
19 with AT&T filing documents regarding an IP to TDM
20 transition. So I believe the witness has the ability
21 to review items that are listed here in this
22 document, and to -- and I am going to ask him

1 questions, if he agrees or disagrees with the items
2 that AT&T is putting in here. I'm not offering the
3 document for the truth of the matter that's set forth
4 in the document. I am going to ask the witness
5 questions about items in the document, whether or not
6 he believes -- he agrees with certain positions.

7 MR. ORTLIEB: Your Honor, if I may?

8 JUDGE HAYNES: Go ahead.

9 MR. ORTLIEB: If I may respond, foundation
10 requires some linkage or connection between the
11 witness and the document, and although Mr. Schiffman
12 has established some very high level --

13 JUDGE HAYNES: Understood. What you just said
14 your question was going to be, I don't know if the
15 document is required. So I think it's clear this
16 witness has no familiarity with this document.

17 MR. SCHIFMAN: I just think it will be easier
18 if we refer to the document. I'm not --

19 JUDGE HAYNES: So what's your question?

20 MR. SCHIFMAN: So far all I have done is mark
21 the document. I have not asked for its admission,
22 and so I don't believe I am precluded from asking the

1 witness regarding certain statements in a particular
2 document if I haven't -- I haven't asked for its
3 admission.

4 JUDGE HAYNES: So what's your first question,
5 and can you do it without relying on this document?

6 BY MR. SCHIFMAN:

7 Q. Sure. Do you believe it's AT&T's plan to
8 ask the FCC to forbear from application of Section
9 251(c)(2) interconnection and other requirements to
10 the extent necessary?

11 A. I do not know.

12 Q. Okay. Do you believe it's AT&T's plan that
13 a TDM based provider should bear the costs of
14 converting traffic to or from TDM when they
15 interconnect with a nonTDM based service provider?

16 A. Ask that again, please.

17 Q. Okay. Do you believe that it's AT&T's plan
18 that a TDM based provider should bear the cost of
19 converting traffic to or from TDM when they
20 interconnect with nonTDM based service providers?

21 A. I don't know.

22 Q. Okay. And in your testimony, your rebuttal

1 testimony, you make some statements about how it
2 would be easier for Sprint to convert traffic from IP
3 to TDM rather than having AT&T do the conversion,
4 right?

5 A. Correct.

6 Q. And so in that case -- here you are asking
7 Sprint to bear the conversion cost, right?

8 A. Well, if you are talking about converting
9 from your switch and you are interconnected at, for
10 instance, here in LATA 358, the Chicago LATA, you are
11 interconnected at 13 tandems and then multiple end
12 offices. If the conversion is done at your switch,
13 it would be much easier to do than if AT&T has to
14 provide that conversion in front of all 13 of their
15 tandems, plus the various end offices where you may
16 also have trunking.

17 Q. Yeah. Do you understand how many switches
18 Sprint has in this LATA?

19 A. No, I do not. It's seven, I believe, isn't
20 it?

21 Q. If we had seven switches then we would have
22 to do the conversion in all seven of those switches,

1 right?

2 A. Correct.

3 Q. Okay.

4 A. Well, not in the switch, but in front of
5 it. You would have a protocol converter in front of
6 your switch.

7 Q. Right. So you are asking Sprint, the IP
8 provider, to bear the cost of the TDM conversion
9 right now; is that correct?

10 A. To access the PSTN, correct.

11 Q. Okay. And even if Sprint's network is in
12 IP format, right?

13 A. Yes.

14 Q. Okay. We will move on here.

15 Do you understand, Mr. Albright, that
16 Sprint has requested IP-to-IP interconnection as part
17 of this interconnection agreement right now that we
18 are here arbitrating?

19 A. My understanding is that Sprint has said
20 that they do not have an intention to initiate
21 IP-to-IP interconnection at the beginning, but maybe
22 down the road. So there is not even indication that

1 it will happen during the life of this ICA, but that
2 perhaps down the road Sprint may seek IP-to-IP
3 interconnection.

4 Q. But your understanding is that Sprint has
5 requested IP-to-IP interconnection as part of this
6 agreement. In fact, we said that we want the ability
7 to interconnect in IP during the term of this
8 interconnection agreement, right?

9 A. I believe that may be correct.

10 Q. In fact, on Page 10, Line 252 of your
11 testimony you ask yourself, "Why can't AT&T Illinois
12 establish an IP network so that Sprint can
13 interconnect with AT&T Illinois on an IP basis?" Do
14 you see that question?

15 A. Yes.

16 Q. You answer, "AT&T Illinois could do that;"
17 is that right?

18 A. Yes.

19 Q. And what do you mean by "could do that?"

20 A. We would have to build the necessary front
21 end equipment to convert from your IP network to the
22 TDM network for us to transport it across our

1 network. So there would be a cost involved to AT&T.

2 Q. So what equipment are you referring to?

3 A. An IP to TDM converter; something that
4 would take that IP protocol and convert it to a TDM
5 based format.

6 Q. Well, you see in the question that -- or in
7 your answer that AT&T Illinois could establish an IP
8 network that Sprint can interconnect with, right?

9 A. But we don't have an IP network. So the
10 only thing that we could do with Sprint would be to
11 provide the converter and on our network in order to
12 take the incoming IP call and convert that into a TDM
13 format for our switches to be able to accept.

14 Q. Okay. But your customers originate and
15 terminate calls in internet protocol, right?

16 A. Not all of our customers; just the small
17 group that's called U-verse, and that's done through
18 ATT Corp.

19 Q. Why did you say "small group of customers."
20 I thought you didn't have an understanding as to how
21 many U-verse customers you have now?

22 A. Well, you showed me this document that

1 showed that the plan is to get up to 24 million, I
2 think, by the end of this year or 2015. So if we
3 have 57 million customers, then of that 24 million
4 there is some subset that has VoIP service, and then
5 there is another subset that does not. So I don't
6 know what that percentage would be.

7 Q. Okay. So what actual -- and tell me where
8 Sprint would need to place that piece of equipment in
9 order to interconnect with AT&T Illinois on an IP
10 basis? Here, I will walk up here. Would it be at
11 No. 2 listed on your chart, the SAI?

12 A. No. There is no place on that network on
13 that drawing. Would you like for me to step up here?

14 MR. SCHIFMAN: Certainly if your attorney
15 doesn't mind.

16 MR. ORTLIEB: No. That's fine.

17 BY THE WITNESS:

18 A. Well, let me give you just a little history
19 of my involvement with this. The AT&T U-verse
20 evolved from what was called Project Lightspeed
21 originally. Project Lightspeed was kind of the
22 genesis of what ultimately became U-verse. I joined

1 that group in 2005 providing methods and procedure
2 support. My role was to help develop procedures for
3 the technicians out in the field to test and turn up
4 these various components on the AT&T Illinois
5 network, to power it up, to test the alarming on it
6 and provision it so that these components would
7 operate. At the time of the advent of the Lightspeed
8 and the project the U-verse we were looking at what
9 synergies could we use to bring U-verse over here and
10 to add our internet over to here to the end user
11 customers as well as to add in a video service.

12 We already had an internet affiliate.
13 So there was no reason for AT&T Illinois or any of
14 the incumbent LECs to build a mirror image of an
15 affiliate that already provided us with internet
16 services. So it was a financial decision to utilize
17 our affiliate internet service provider to provide
18 the internet services across -- in conjunction with
19 the video services for U-verse. So this was a purely
20 financial decision since the network already existed.
21 So U-verse then allows for ATT Corp to provide us
22 with high speed internet, HSI is what it's called, or

1 U-verse operation as opposed to the DSL for the
2 landline service. So it provides us with U-verse
3 internet, high speed internet, as well as the
4 potential for VoIP if the customer chooses that as
5 part of their U-verse bundle. Then we have a video
6 head-end office that brings in the video feed that
7 provides the TV content.

8 This is all provided over routers so
9 the head-end or the network server that provides VoIP
10 services is located on the Corp. That's the VoIP
11 switch, if you will. And then these components out
12 here are routers, and this is the DSLAM. So what you
13 have there is a video head-end office. This box,
14 this router, supports multiple intermediate offices.
15 So it's a hierarchical type network where it may
16 spider out to several different intermediate offices
17 and then these work -- intermediate offices work very
18 similar to a tandem configuration in that they serve
19 multiple COs, if you will. We just used for,
20 wireline -- so we'll use the same technology and the
21 same terminologies. So this distributes out to these
22 central offices on the Telco side, and then the

1 routers here distribute out through the network,
2 through the local loop, if you will, over fiber --
3 this is fiber to the nodes out to the DSLAMs, which
4 are out in the neighborhoods that support those end
5 user customers.

6 Then from there we use the last mile
7 and the last loop is copper, and this copper goes to
8 the various end users that choose to have U-verse
9 service. The residential gateway inside there then
10 takes that incoming signal and the residential
11 gateway determines is this a video feed, in which
12 case it hands it off to the set-top box for the TV.
13 If it's internet, it hands it off for your computer,
14 and then it also has the adaptability for if you want
15 VoIP you could plug it in for your VoIP services.

16 BY MR. SCHIFMAN:

17 Q. All right. I am going to ask you some
18 questions about all that stuff.

19 A. Okay.

20 Q. And so I asked you, if Sprint wanted to
21 interconnect with AT&T Illinois, you said -- your
22 answer in your testimony is that Sprint could do

1 that, right -- or AT&T Illinois could do that, but it
2 chooses not to do so, right?

3 MR. ORTLIEB: I object to that as a
4 mischaracterization of his testimony. What he said
5 was that AT&T Illinois could add additional equipment
6 to its network, which would permit that type of
7 thing.

8 BY MR. SCHIFMAN:

9 Q. Can I ask you what additional equipment
10 could Sprint add to its network to interconnect with
11 AT&T?

12 A. Well, Sprint could add the converter.

13 Q. All right. So where would we add the
14 converter? Right here at this ATT Corp switch?

15 A. Well, wait a minute. Are you asking me
16 for -- I need to understand the context of your
17 question. If you are talking about bringing IP in,
18 an IP signal from Sprint into AT&T at the TDM -- if
19 it's as a TDM network, that's not even on the
20 U-verse. That would be over at the tandem somewhere.

21 Q. Yeah. Right here, right?

22 A. Right, yeah. Down here at this tandem.

1 There is an example right there, going in through the
2 tandem switch. If you are asking how you could
3 interconnect with the U-verse customers in an
4 IP-to-IP, then I think in the testimony -- and I
5 think it's Mr. Felton that supplied a whole host of
6 points on the network edge that aren't in AT&T
7 Illinois' reach, and I think he said, Miami and
8 Dallas. He named whole --

9 MR. SCHIFMAN: I'm not asking about those.

10 THE WITNESS: But that would be interconnecting
11 and coming in through the ATT Corp side.

12 BY MR. SCHIFMAN:

13 Q. Correct. Well, it is technically feasible
14 for Sprint to interconnect with ATT Corp, correct?

15 A. Yes.

16 Q. What --

17 A. Through the internet cloud.

18 Q. What type of equipment would Sprint need to
19 interconnect in IP with ATT Corp?

20 A. You would have to have an arrangement with
21 AT&T Corp to interconnect IP-to-IP through those
22 network edges on the internet network. I think it's

1 identified by Mr. Felton as where those are
2 available.

3 Q. I'll just correct. It's Mr. Burt?

4 A. Oh, Mr. Burt. Okay.

5 Q. So I am asking you, what is this piece of
6 equipment? It's in No. 6 on CCA-9. It's a
7 cylindrical thing with arrows pointing in various
8 directions. What is that piece of equipment?

9 A. Well, that would indicate ATT Corp's
10 network gateway server.

11 Q. And is that a switch?

12 A. It functions as a switch, yes.

13 Q. It has switch functionality in it?

14 A. Yes, and what it does is it takes the
15 incoming data stream and then performs the necessary
16 determination on that, where that data needs to go.
17 Let's say a U-verse customer is going to call a
18 Sprint customer. And since we are currently TDM, we
19 are interconnected to TDM, it would route it over to
20 the corporate switch. That switch would then
21 determine, that needs to go to Sprint, and currently
22 Sprint -- now, if you have an interconnection with

1 them in IP --

2 Q. I'm asking you about an IP interconnection.

3 A. Okay. If you have an IP interconnection
4 with ATT Corp, it would come here and it would
5 recognize that IP address and it would send you
6 across the cloud to your interconnection.

7 Q. Okay. So it is technically feasible?

8 A. To interconnect with ATT Corp, yes.

9 Q. For Sprint to connect in IP format with ATT
10 Corp; is that right?

11 A. Correct.

12 Q. And so what -- so tell me the name of the
13 manufacturer of that piece of equipment, Box 6, that
14 does the switching -- provides the switching
15 capability for ATT Corp?

16 A. I don't know what's at ATT Corp.

17 Q. Okay. You don't know the name of the
18 manufacturer?

19 A. No, I don't.

20 Q. Okay. Do you know where -- or let me ask
21 you this.

22 Is this box that's listed in No. 6

1 that provides the switching functionality, is that
2 located in Illinois?

3 A. I don't know.

4 Q. To serve AT&T Illinois customers?

5 A. I don't know.

6 Q. Okay.

7 A. I don't know how many of them they have
8 either.

9 Q. You have no idea how many switches ATT Corp
10 has?

11 A. I don't support the internet facility.

12 Q. Okay. But didn't you tell me that -- I
13 know when you walked up here that you had a lot to do
14 with the -- changing the process of the network from
15 Project Lightspeed to U-verse, and so you didn't
16 study how many switches that U-verse was going to
17 utilize for -- of ATT Corp's?

18 A. It's irrelevant to me.

19 Q. Okay.

20 A. That was not my role. My role was to
21 determine what testing procedures need to be done for
22 a technician out in the field on the Telco side. So

1 this is AT&T Illinois. So you have a central office
2 technician out here and you have an outside plant
3 technician that's working on this. So depending on
4 where this is, what does that technician have to do
5 to make sure that equipment is properly installed,
6 properly powered, have the alarms been tested, have
7 the remote communications capability been tested and
8 have the appropriate circuit package of cards been
9 inserted into that shelf to make it functional.

10 Q. And so you mentioned, however, that there
11 is multiple VHOs in the State of Illinois; is that
12 correct?

13 A. I'm not too sure of how many VHOs are in
14 Illinois. Each state varies depending on how they
15 are going to pick up that feed.

16 Q. How many customers does the VHO serve
17 roughly?

18 A. I don't know.

19 Q. Not for one at AT&T Illinois, but just on a
20 rough basis, do you know? There is no protocol as to
21 how many customers, households --

22 A. Because a video feed is a video feed once

1 you push it out.

2 Q. All right. What about an SAI? How many
3 households does an SAI serve?

4 A. At one point I could have maybe told you
5 that, but I don't know anymore.

6 Q. Okay.

7 A. I'm not sure.

8 Q. Do you know how many SAIs are located here
9 in Illinois?

10 A. No, I don't.

11 Q. Okay. We will just move on. What about in
12 Box No. 3? It's an ALU 7450. That's a router,
13 right?

14 A. Correct.

15 Q. Okay. Do you know how many -- it's listed
16 here in the diagram as CO Telco. Does that mean
17 there is one of these at every central office in
18 Illinois?

19 A. There would be multiple shelves of these,
20 and not necessarily in every office, but any office
21 that supports U-verse where U-verse has been
22 deployed. So like I said, in that thing, that e-mail

1 that you showed, they talk about expanding the
2 network, the footprint for U-verse.

3 Q. And that's what they would need to put in,
4 the ALU 7450's, right?

5 A. Correct.

6 Q. And what about the IO, do you have any
7 notion as to how many IOs there are in Illinois?

8 A. No. I don't know how many.

9 Q. Do you have any notion as to where any of
10 them might be located in Illinois?

11 A. No.

12 JUDGE HAYNES: Can you make sure and speak
13 louder?

14 BY MR. SCHIFMAN:

15 Q. Okay. The VHO, it's Box No. 5 there. The
16 piece of equipment is the ALU 7750, right?

17 A. Yes, sir.

18 Q. Do you know, how many of those are located
19 at each VHO?

20 A. How many of these are located at each VHO?

21 Q. Yeah.

22 A. I do not know.

1 Q. Okay. You said the 7450s there could be
2 racks and racks of them. Do you know how many of the
3 VHOs have 7750s?

4 A. No, I don't. It would depend on how
5 many -- how it's distributed out here, how many they
6 serve.

7 Q. Okay. Well, what are these cylinders that
8 are in Box 5 of CCA-9 that are kind of above the
9 picture of the ALU 7750?

10 A. They represent databases that store the
11 information to tell -- to be able to send out what
12 services are being supplied or offered to these
13 various different current customers; in other words,
14 this residential gateway is programmed to know they
15 are allowed to have X number of video channels. They
16 are not allowed to have these channels. Are you
17 going to --

18 Q. So if somebody has subscribed to HBO,
19 whether or not they subscribe to HBO and whether or
20 not the HBO --

21 A. Or if they have recorded a channel or
22 something like that.

1 Q. Okay. Cool. And can AT&T Enterprise
2 customers access any of the capability at the VHO to
3 provide -- to obtain VPN service from AT&T?

4 A. Not that I am aware of, but I don't know
5 that for certain.

6 Q. Okay. Are there ports on both sides of
7 these pieces of equipment, the VHO and the IO? So
8 there is a port on the customer side and a port on
9 the network side of each of those pieces?

10 A. Yeah. There would be an input feed that
11 comes in and then there is a distribution that goes
12 out.

13 Q. Okay. And so input you are talking about
14 from the cloud back to the residence?

15 A. Right. As well as from the satellite feed
16 for the video.

17 Q. Okay. And what's the capacity of those
18 ports? Do you have any idea?

19 A. I couldn't tell you.

20 Q. You mention there on the chart it says
21 10GigE. What does that represent?

22 A. This is an Ethernet link that connects

1 between these. So it's a ten gigabyte Ethernet link.

2 Q. Okay. Big capacity?

3 A. Big capacity.

4 Q. It has to handle video, right?

5 A. Right, because it has to handle video and
6 you want full streaming, live streaming.

7 Q. Sure. And so what's the capacity of the
8 connection between the VHO, No. 5 and the cloud?

9 A. That, I don't know.

10 Q. Why didn't you put that on your chart?

11 A. Because that was what was provided to me.

12 Q. Okay.

13 A. I actually got this from our U-verse folks.

14 Q. From your U-verse folks?

15 A. They provided me with this.

16 Q. Okay. Well, here it says on your chart,
17 "IP data stream, including VoIP is delivered over
18 special access facilities to AT&T Corp," right?

19 A. Correct. This pipe.

20 Q. Yeah. So you don't know the capacity of
21 that pipe?

22 A. No.

1 Q. Who owns that pipe? Is it ATT Corp?

2 A. ATT Corp purchases it, yes.

3 Q. ATT Corp purchases this pipe from 5 down to
4 6; is that right?

5 A. As I understand it, yes.

6 Q. Okay. And how do they purchase that?

7 A. I don't know.

8 Q. Special access?

9 A. Yeah, through special access, yes.

10 Q. Not pursuant to an interconnection
11 agreement?

12 A. No. There is no -- the interconnection is
13 down here.

14 Q. Okay. So this is -- and then once a call
15 gets to the switch here in No. 6, right --

16 A. At ATT Corp?

17 Q. -- at ATT Corp, ATT Corp processes the
18 call, tells where the call is destined for and sends
19 it to the appropriate location, right?

20 A. Right. And so it's going to look at that
21 call. If that call is determined to be directed
22 to -- if Sprint connects with the ATT Corp or with

1 the cloud in an IP-to-IP, if it sees that IP address,
2 it's going to send it across the cloud to the
3 appropriate Vonage or Skype or any other IP provider
4 if that's provided for in the connectivity. If it
5 determines that that call is destined for a TDM
6 carrier or TDM end user, then it's going to perform
7 the necessary protocol conversion from IP to TDM and
8 then deliver that over an interconnection facility
9 between -- if its to an AT&T end user or a third
10 party that subtends AT&T, that way, or if it's
11 interconnected with, say, Verizon, it would go that
12 way over a TDM conversion.

13 Q. So I understand that. Thank you, Mr.
14 Albright. So for a call from customers where -- I am
15 looking at the customer's part here, No. 1 on your
16 chart. So let's say there is a call between these
17 two houses, okay?

18 A. Okay.

19 Q. And so it goes over the AT&T U-verse
20 network. It has to utilize this switch in order to
21 determine where the call goes, right?

22 A. Correct.

1 Q. Just so we have it clear. So AT&T -- for
2 AT&T Illinois to provide telephone exchange service
3 between those two customers located within the same
4 exchange, it has to utilize -- AT&T Illinois has to
5 utilize a switching functionality that resides in ATT
6 Corporation; is that correct?

7 A. Correct. As a matter of fact, in that call
8 scenario, when this customer calls this one, it would
9 go across the U-verse network to the Corp switch.
10 The Corp switch would then determine if the IP
11 address sends it back this way. AT&T Illinois, for
12 that matter, would not even know that the call
13 occurred.

14 Q. Do you call this a soft switch that ATT
15 Corp has?

16 A. I would call it a soft switch.

17 Q. Is it technically feasible for AT&T
18 Illinois to own soft switches?

19 A. Sure it is.

20 Q. Okay. Do you know if it has any soft
21 switches in Chicago right now?

22 A. AT&T Illinois has one soft switch deployed.

1 Q. Okay. And where is that?

2 A. I believe it is in Newcastle.

3 Q. Okay. Is that a tandem switch?

4 A. It's a tandem switch.

5 Q. Okay. And is ATT Corp connected to the
6 AT&T Illinois soft switch in IP format?

7 A. No. The ATT -- the ATT tandem switch in
8 Newcastle is -- I believe it's an MG 9000 by Nortel.
9 It has two ways that it can be provisioned. It has a
10 soft switch that can be provisioned to support AIL --
11 AUL, I think, which is -- or UAL, which is ATM based
12 format to support dedicated private lines, which
13 would be used dedicated DS1/DS0 circuits, which would
14 be a TDM type function, or it can be provisioned to
15 support an IP interface. If it's provisioned as an
16 IP interface, it will not support the TDM
17 functionality, the dedicated DS1/DS0 channels. So
18 that soft switch, while it is a soft switch, is
19 provisioned as an ATM format. So it's provisioned to
20 function as if it's a TDM switch. It has the
21 capability. It's just not provisioned that way.

22 Q. Yeah. Well, why wouldn't you use the IP

1 capability in that particular software?

2 A. Because in order for that to interface --
3 interface with all of our other end office switches
4 that subtended, those TDM switches, it has to have
5 trunk capabilities as a dedicated circuit path.

6 Q. Well, let's -- we have talked about the
7 call between the two customers located -- the two
8 U-verse customers located into the same exchange.
9 What if AT&T has -- AT&T North Carolina has a U-verse
10 customer?

11 A. Okay.

12 Q. So -- and it's a call coming from the AT&T
13 Illinois U-verse customer. It's going to the AT&T
14 North Carolina U-verse customer.

15 A. Okay.

16 Q. Does that call ever hit the public switched
17 telephone network?

18 A. Not to my knowledge, no.

19 Q. Okay. So it goes -- so it gets switched by
20 the switch residing in ATT Corp; is that right?

21 A. Ah-huh.

22 Q. And then it travels over the cloud?

1 A. Right.

2 Q. To a VHO located in North Carolina?

3 A. Well, it would travel over the cloud to --
4 assuming that there is another ATT Corp switchover
5 that serves the North Carolina area. Unless you are
6 saying that this switch -- and the switch could
7 possibly serve numerous states, but I am assuming
8 that it would probably go across the cloud to a
9 server, a network server at that location, and then
10 from there it would deliver it over to the North
11 Carolina U-verse. That's assuming that we have
12 U-verse in North Carolina.

13 JUDGE HAYNES: You are trailing off.

14 BY THE WITNESS:

15 A. That's assuming that we do have U-verse
16 offered in North Carolina.

17 BY MR. SCHIFMAN:

18 Q. And so in that instance ATT Corp provides
19 the long-haul for that particular call?

20 A. That would be my understanding, yes.

21 Q. Does AT&T -- so that's an interexchange
22 type call?

1 A. IP. So I'm not sure.

2 Q. Who knows what applies, right?

3 A. Who knows what applies.

4 Q. And so do you know if ATT Corp pays AT&T
5 Illinois originating access charges for that call?

6 A. I do not know.

7 Q. Do you know if ATT Corp pays AT&T North
8 Carolina terminating access charges for that call?

9 A. I do not know.

10 Q. If there was a call that was going from the
11 AT&T Illinois customer over the AT&T U-verse network
12 and -- all right. Let's strike that one.

13 We are going to have to finally look
14 at my notes here. Hold on. Let's sit down for a
15 minute and then we will figure out where we are
16 going.

17 So you mentioned that ATT Corp already
18 owned certain soft switches, right, before U-verse
19 was initiated?

20 A. Before it was initiated, we had an internet
21 affiliate. It was under the AT -- and this was back
22 when we were SBC Communications. So there was an

1 internet affiliate, and that internet affiliate
2 folded in as we became AT&T, and folded in under ATT
3 Corp. So with the genesis of Project Lightspeed,
4 which is now U-verse, it was determined that the
5 synergies already existed for us to have internet and
6 internet type services provided through an affiliate,
7 rather than build out another network. Why build
8 another one when you already have it?

9 Q. Yeah, it's duplicative. It would be
10 costly, wasteful and inefficient to have to build two
11 networks, wouldn't it --

12 A. Correct.

13 Q. -- to terminate calls, correct?

14 A. Correct.

15 Q. Or to interconnect with other carriers,
16 correct?

17 A. Correct.

18 Q. Okay. What about the -- so when were the
19 switches purchased to provide U-verse service here in
20 Illinois? Do you have any idea?

21 A. The date on ATT Corp side?

22 Q. Yeah.

1 A. I don't know.

2 Q. Okay. So I think I asked you this. How
3 much those switches cost; do you have any idea?

4 A. No idea.

5 Q. Okay. And you agree that it was
6 technically feasible for AT&T Illinois to actually
7 own soft switches, right, to provide U-verse service?
8 It is technically feasible for AT&T Illinois to be
9 the owner of those?

10 MR. ORTLIEB: I will object, asked and
11 answered. He has already testified that we do, in
12 fact, own a soft switch.

13 BY MR. SCHIFMAN:

14 Q. Well, I am asking about soft switches that
15 can provide U-verse service.

16 JUDGE HAYNES: Overruled.

17 BY THE WITNESS:

18 A. Yeah. I am sure that was a consideration.
19 Like I said, at the beginning of the Project
20 Lightspeed it was determined that we already have a
21 network available. There's no reason to build a new
22 one or a duplicate one.

1 BY MR. SCHIFMAN:

2 Q. Okay. But do you agree with me that it is
3 technically feasible for AT&T Illinois to purchase
4 and install in its network soft switches that can
5 provide U-verse service to its customer?

6 A. I would think, yes, and I would think
7 ultimately we do -- we would like to do that,
8 transition to that direction.

9 Q. Transition your ATT Corp switches to be
10 owned by AT&T Illinois?

11 A. Oh, I don't know what's going to happen
12 there. I don't know.

13 Q. But transitioning meaning you would like to
14 get rid of your TDM switches?

15 A. I think that's the ultimate goal is to
16 transition from TDM to an IP, but again, all the
17 questions around how that's going to happen and how
18 the rules and regulations are going to impact us as a
19 result of that, and how you make that happen without
20 interfering with anyone else.

21 Q. So you want to retire the TDM network, but
22 you are asking Sprint to only interconnect with AT&T

1 Illinois in TDM?

2 A. Right now we don't have any way to do
3 anything other than that.

4 Q. Was that a yes, though, before you gave
5 that explanation?

6 A. I believe that's a yes.

7 Q. Is there a contract that governs AT&T
8 Illinois' use of the ATT Corp IP switching
9 capability?

10 A. I don't know.

11 Q. Do you know what the financial arrangements
12 are between AT&T Illinois and ATT Corp for AT&T
13 Illinois' usage of the ATT Corp switch?

14 A. No, I don't know.

15 Q. Do you know if it pays it any money -- if
16 AT&T Illinois pays Corp any money, whatsoever, for
17 use of that switch?

18 A. No, I don't know that.

19 MR. ORTLIEB: Mr. Albright, now that we have
20 just a slight break, could you move that microphone
21 back so it's closer to you and then lean in a little
22 bit just to help everybody here.

1 THE WITNESS: I will move in a little closer.

2 BY MR. SCHIFMAN:

3 Q. Just give me a minute. I have gone through
4 a lot of these questions already.

5 So with IP technology, you would agree
6 that you probably need less switches than you do in
7 the TDM world, right?

8 MR. ORTLIEB: Asked and answered.

9 MR. SCHIFMAN: I don't think I asked that
10 question.

11 JUDGE HAYNES: Can you repeat your question.

12 MR. SCHIFMAN: I said -- can you read it back,
13 please?

14 (Whereupon, the record was read
15 as requested.)

16 JUDGE HAYNES: Sustained.

17 BY MR. SCHIFMAN:

18 Q. Okay. So are ATT Corp switches, are they
19 located in carrier hotels?

20 A. I don't know.

21 Q. Do you know what a carrier hotel is?

22 A. Yes.

1 Q. Okay. And that's usually a location where
2 lots of carriers get together and interconnect their
3 equipment, right?

4 A. Right.

5 Q. And so in the IP world is that a typical
6 place where carriers interconnect with each other is
7 at carrier hotels?

8 A. I don't know.

9 Q. Is it technically feasible to place the ATT
10 Corp switch at the same location as the VHO on your
11 chart there?

12 A. I would guess anything is technically
13 feasible from that respect, yes.

14 Q. You put it in the same building, you could,
15 right?

16 A. If it was there, yes.

17 Q. Do you have any idea as to who made the
18 decision as to where to place the ownership of the
19 switch serving the AT&T Illinois U-verse customers?

20 A. No.

21 Q. Okay. Do you know the capacity of the
22 special access circuit between No. 5 and No. 6 on

1 your chart?

2 A. I believe you asked me that. No, I don't
3 know that.

4 Q. Okay. Is it likely higher than a DS3?

5 A. I would say likely. I mean, it may be a
6 10GigE also. I don't know.

7 Q. Okay. Is it likely Ethernet type access?

8 A. You could ask me to speculate, yeah,
9 probably, but I don't know.

10 Q. When an AT&T Illinois customer calls
11 another AT&T Illinois customer and they are both
12 using U-verse, is there a net protocol change in that
13 call? It's IP the entire way, right?

14 A. Both U-verse customers, no, there is no net
15 protocol conversion.

16 Q. Okay. Do you agree that in ATT Corp IP
17 soft switch is a network element that is required by
18 AT&T Illinois to provide telephone exchange service
19 to its business customers? I asked you about
20 residential customers, but what about business
21 customers?

22 A. This -- any BVoIP, we call that business --

1 BVoIP services are provided via ATT Corp.

2 Q. Okay. And so AT&T, it doesn't -- so BVoIP
3 customers don't utilize the AT&T Illinois network at
4 all? Is that what you are saying?

5 A. I'm not sure I am familiar with how a BVoIP
6 customer is provided service. It may be maybe they
7 have a DSL line or something like that that then the
8 VoIP rides over that. I don't know.

9 Q. Okay. Mr. Albright, are you aware of any
10 features and functionalities that are part of the
11 U-verse IP network since the calls only travel in IP;
12 like, for example, presence or high definition voice,
13 or is there anything in particular from a feature
14 functionality perspective from the customer's view
15 that is available because a call is in -- travels
16 completely in IP?

17 A. I am not aware of anything, no.

18 Q. Do you know what I mean by presence in that
19 question?

20 A. No, I'm not sure I do.

21 Q. Okay. The call that we discussed from the
22 AT&T Illinois U-verse customer to the AT&T North

1 Carolina U-verse customer, did we agree that there is
2 no net protocol change for a call that travels in
3 that way?

4 A. I believe that's correct.

5 Q. Okay. Okay. Where is the connection
6 between AT&T Illinois and ATT Corp on your chart? Is
7 it at the VHO, or is it at the Box No. 6? Where is
8 the actual connection?

9 A. I'm not sure. I mean, you have a
10 connection on both ends, a physical connection. It
11 has to have a physical connection to the VHO, and
12 then it has to have physical connectivity at the ATT
13 Corp switch.

14 Q. So you don't declare any specific point of
15 interconnection there, do you?

16 A. That's not a point of interconnection, no.
17 That's just a physical linking.

18 Q. A physical linking between the two
19 networks, right?

20 A. Right. I would -- to me -- or the way I
21 would characterize the U-verse network is any of the
22 IP data format, whether it's internet or whether it's

1 a VoIP service, that is a backhaul back to the
2 switch.

3 Q. That's a shared -- so, in essence, it's
4 special access, you said, purchased by ATT Corp from
5 AT&T Illinois. The traffic goes two ways on that
6 particular special access facility, right?

7 A. Sure.

8 Q. And there is end points on each side of the
9 special access facility, one at ATT Corp switch, and
10 then the other at the AT&T Illinois VHO, right?

11 A. Correct.

12 Q. Okay. So I think in your testimony you
13 talk about, you know, once the call gets converted
14 from IP to TDM and it goes to Sprint, for example,
15 okay, and as the parties are currently located, is
16 that -- is that connection pursuant to an
17 interconnection agreement between ATT Corp and AT&T
18 Illinois?

19 A. I'm not aware of how that arrangement is
20 between AT&T Illinois and ATT Corp for the TDM
21 interconnection. I don't know how that is --

22 Q. Do you know -- I can't see your chart. It

1 says special access facility down in No. 7, is that
2 right, between ATT Corp and the tandem?

3 A. You are talking about down there at the
4 bottom at 7?

5 Q. Yes.

6 A. Yes, that's what it says.

7 Q. And do you know what the capacity is of
8 that?

9 A. I would assume because of the line and the
10 legend that is probably a 10GigE fiber.

11 Q. And do you know how many points of
12 interconnection ATT Corp has with AT&T Illinois at
13 AT&T tandems in Illinois?

14 A. No, I do not.

15 Q. But greater than DS3 capacity in various
16 instances, right?

17 A. Yes.

18 Q. So you mentioned that -- in that answer
19 about two questions ago you said that you saw it as
20 AT&T Illinois providing backhaul for ATT Corp to the
21 ATT Corp switch?

22 A. Well, yeah. There is no switching that's

1 carried on the U-verse network. So any origination
2 or termination to or from an end user of U-verse is
3 backhauled back to the ATT Corp switch where then it
4 performs the necessary processing and determination
5 of how to manage that call flow or that data flow.

6 Q. And so it's AT&T Illinois' customer, but
7 it's AT&T Illinois providing the backhaul to ATT
8 Corp; is that -- is that what you are saying?

9 A. Well, AT&T Illinois provides the network
10 backbone that allows U-verse services to function.

11 Q. Right. But you are saying backhaul between
12 two different companies here, right? And don't you
13 typically understand backhaul is just connections
14 between -- within a single company?

15 A. Well, this -- in this case it's
16 functioning -- I said similar to backhaul. It's
17 coming from those end users. So it's not coming from
18 an AT&T Illinois switch. It's coming from those end
19 users back over that U-verse network to the ATT Corp
20 switch for processing and call management.

21 Q. Is your understanding of backhaul, though,
22 it's just utilized by -- to move traffic from one

1 company's location to another company's location or
2 to the same -- to a location within the same company?

3 A. Right.

4 Q. Okay. And just so the record is clear, we
5 have got two companies involved here, and you are --
6 on your chart, right, AT&T Illinois and ATT Corp, and
7 you are calling that either backhaul or similar to
8 backhaul, right?

9 A. Right. And just -- I mean, it's not
10 un-similar to the backhaul that Sprint has from its
11 cell sites with Sprint. Those facilities may be on
12 the AT&T Illinois network that Sprint purchases from
13 its cell site back to its switch. That doesn't make
14 it -- AT&T involved and it's still backhaul strictly
15 for the benefit of Sprint.

16 Q. Well, it's not getting switched by AT&T,
17 right?

18 A. Correct.

19 Q. When Sprint purchases backhaul, it's not
20 getting switched --

21 A. This isn't being switched either.

22 Q. Okay. But AT&T Illinois is using the

1 switching capability of ATT Corp in order for calls
2 to be completed?

3 A. Correct.

4 Q. Okay. Let's see. So we are going to mark
5 Sprint Cross Exhibit 13.

6 Mr. Albright, can you identify for the
7 record what's been marked as Sprint Cross Exhibit 13?

8 A. Data request Sprint ATT 5.

9 (Whereupon, Sprint Cross Exhibit
10 No. 13 was marked for
11 identification.)

12 BY MR. SCHIFMAN:

13 Q. And so this is a response from AT&T to a
14 data request from Sprint in this case; is that right?

15 A. Yes.

16 Q. And have you seen this data response
17 before?

18 A. Yes, sir.

19 Q. And were you involved in the preparation of
20 this data response?

21 A. Yes, I was.

22 Q. And you prepared this data response before

1 you filed your direct testimony in this case?

2 A. Correct.

3 Q. And your chart, which is similar to CCA-9,
4 is attached to the back of this, right?

5 A. Correct.

6 Q. In fact, in A it says, "For example, in the
7 diagram contained in Sprint -- in Attachment Sprint
8 DR4", that's the same chart as CCA-9, except for the
9 numbers across the top of the chart?

10 A. Yes.

11 Q. Okay. And so that data request asks for
12 AT&T to identify all IP and/or TDM interconnection
13 points. Do you see that?

14 A. Yes.

15 Q. In the request portion?

16 A. Yes, sir.

17 Q. In A, and your response -- can you read
18 your response in A of that Sprint Cross Exhibit 13?

19 A. IP interconnection points are on the ATT
20 Corp network. For example, in the diagram contained
21 in Attachment Sprint DR4, the location of the IP
22 interconnection point would be at the ATT Corp hub

1 office. TDM interconnection points would include the
2 tandems listed in response to AT&T 6 below, as well
3 as any other interconnection points designated by the
4 parties.

5 Q. So there is an IP interconnection point
6 between AT&T Illinois and ATT Corp. That's what this
7 data response says?

8 A. It's how we connect or bring that IP data
9 over to ATT Corp, yes.

10 Q. Your response says it's an IP
11 interconnection point, right?

12 A. Right.

13 MR. SCHIFMAN: Okay. I will move this in for
14 admission, Sprint Cross Exhibit 13.

15 JUDGE HAYNES: Objections?

16 MR. ORTLIEB: None from AT&T Illinois.

17 MS. SWAN: Non from Staff.

18 JUDGE HAYNES: Sprint Cross Exhibit 13 is
19 admitted.

20 (Whereupon, Sprint Cross Exhibit
21 No. 13 was admitted into
22 evidence.)

1 BY MR. SCHIFMAN:

2 Q. So look at your direct testimony, Page 12,
3 please, Lines 284 and 285. Well, I guess actually
4 start on the question that begins on Line 282 on the
5 previous page.

6 The question says, "Does AT&T Illinois
7 provide IP-to-IP interconnection for any of its
8 affiliates or other carriers, and you answer no; is
9 that correct?

10 A. Yes.

11 Q. In this data response in Sprint Cross
12 Exhibit 13 we just established that there is an IP
13 interconnection point on the AT&T Corp network; is
14 that right?

15 A. Well, that would depend on how you are
16 defining interconnection in that context.

17 Q. Well, so you are -- are you talking about
18 interconnection differently in your direct testimony
19 than you did in your data response?

20 A. Yeah, IP-to-IP interconnection is with
21 respect to the exchange of traffic between two
22 parties. This interconnection that's in this data

1 request in that drawing is not with respect to the
2 exchange of traffic, but rather that -- a management
3 of an IP originated call from an end user through the
4 ATT Corp switch.

5 Q. Well, aren't two parties involved in the
6 call there that's identified in your chart, CCA-9,
7 AT&T Illinois and AT&T Corp?

8 A. Not from a switching viewpoint, no.

9 Q. Well, I'm not asking about a switching
10 viewpoint.

11 A. IP-to-IP interconnection is switch to
12 switch.

13 Q. Well, I'm not asking about how you define
14 IP interconnection. I am asking you, is there an IP
15 interconnection point between AT&T Illinois and ATT
16 Corp? Is there a point where those two parties
17 interconnect in IP?

18 A. I would say no.

19 Q. So there is no point on AT&T Illinois'
20 network where ATT Corp receives voice services or
21 voice calls in IP format; is that what you are
22 saying?

1 A. I am saying that IP-to-IP interconnection
2 would be between the ATT Corp switch and some type of
3 an IP switch that AT&T Illinois provides, which it
4 does not have. There is not -- that's that protocol
5 conversion down there to the TDM. That's the IP to
6 TDM interconnection. It's actually a TDM to TDM.

7 Q. But you agree with me, there is an IP
8 interconnection point on the ATT Corp network.
9 That's what your data response says, right?

10 A. Right. There is an IP connection, yes.

11 Q. If -- you mentioned in one of your earlier
12 responses that Sprint could obtain IP interconnection
13 with ATT Corp, did you not?

14 A. Sure.

15 Q. Okay. And so how would that be
16 accomplished?

17 A. I guess Sprint would approach ATT Corp and
18 begin negotiations to interconnect their IP network
19 with the ATT Corp IP network.

20 Q. Okay. And is there any specific type of
21 equipment that Sprint would need in order to
22 interconnect with ATT Corp in IP?

1 A. That would have to be determined between
2 Sprint and ATT Corp.

3 Q. Okay. And so once parties agree to
4 interconnect in IP, there is technical details for
5 the parties to work out as to determine how that
6 actual interconnection is achieved; is that correct?

7 A. I would say yes.

8 Q. Okay. So typically parties don't put in
9 agreements the types of equipment that are utilized
10 or the circuits that are utilized to effectuate a
11 particular kind of interconnection, right?

12 A. Well, they may, depending on the type of
13 interconnection to be provided.

14 Q. Right. But from a technical sense, usually
15 it's the engineers that work that out, right?

16 A. Correct.

17 Q. Okay. I'll direct you to your direct
18 testimony on Page 17, Lines 430 to 437. You describe
19 on Line 434 the Chicago IXP location. Do you see
20 that?

21 A. Yes.

22 Q. Well, what is that?

1 A. It's an -- IXP is an internet exchange
2 point.

3 Q. And do you have knowledge that there is one
4 located here in Chicago?

5 A. No, I do not.

6 Q. So what did you mean by -- when you said,
7 "Even the Chicago IXP location where Sprint's
8 language states that the parties are currently
9 interconnected"? You don't have an understanding as
10 to whether or not the parties are currently
11 interconnected at a particular Chicago IXP?

12 A. Well, if it is an IXP, that would be on the
13 ATT Corp side. I wouldn't be familiar with that. So
14 the fact that Mr. Burt states that, I just have to
15 take it at its face value.

16 Q. Okay. Let's move to your rebuttal
17 testimony, Page 9. All right. So Lines 217 through
18 219, all right? Are you there?

19 A. Yes, sir.

20 Q. What is the generic non-telecommunications
21 sense of the word "connection?"

22 A. Well, a connection is a physical linking.

1 You plug a cable into one end and it -- for instance,
2 you could plug your computer with an Ethernet link
3 into an internet port, and your computer is connected
4 to that internet. That's a generic connection.

5 Q. So you say AT&T Illinois and ATT Corp have
6 a generic connection, right?

7 A. As shown in that diagram between 5 and 6,
8 yes.

9 Q. Yeah.

10 A. The VHO and the ATT --

11 Q. Right. So there is two connections
12 actually, right, one at the VHO and then one at the
13 ATT Corp switch, right?

14 A. Right.

15 Q. So if Sprint had the same equipment that
16 ATT Corp owns, could it have a generic connection of
17 sorts with AT&T Illinois in the same manner that ATT
18 Corp does? It's technically feasible, right?

19 A. I wouldn't see how it is.

20 Q. Well, you would be able to plug your
21 equipment into our equipment, and we would be -- if
22 we have the same equipment that ATT Corp owns, then

1 we could get calls routed over Sprint's network,
2 right?

3 A. So are you saying that Sprint wants to
4 utilize the U-verse network and take ownership of it?

5 Q. No. I am just saying that we want to be
6 able to accept your -- if we would want to be able to
7 accept calls from U-verse customers in IP format in
8 the same manner that AT&T corporate is accepting
9 calls from AT&T Illinois in IP format.

10 A. What you are talking about now is
11 getting -- you are talking about injecting Sprint in
12 the middle of the IP data stream.

13 Q. Okay. So is it technically feasible for
14 Sprint and ATT Corp to have a connection of sorts on
15 the other side of the ATT Corp switch?

16 A. And that would be the IXP that was referred
17 to in Mr. Burt's testimony.

18 Q. So the answer is, yes, and that would be
19 the IXP?

20 A. Yes.

21 Q. Did you write this in the generic
22 non-telecommunications sense of that word?

1 A. Did I write it?

2 Q. Yeah.

3 A. It was a suggestion.

4 Q. Okay. And then at the bottom of that page,
5 Lines 225 and 226, did you get a suggestion from
6 somebody else also to insert the Section 251(c)(2)
7 sense of that word?

8 MR. ORTLIEB: You know, I am going to object to
9 that. This testimony is Mr. Albright's testimony.
10 He has adopted it as his own. He said that if asked
11 these questions today, those would be his answers,
12 and I don't think that Sprint is entitled to plunge
13 into the behind the scenes work product. Certainly
14 AT&T did not do that of Sprint.

15 BY MR. SCHIFMAN:

16 Q. So what did you mean by AT&T Illinois and
17 ATT Corp not having IP interconnection -- let me
18 withdraw that question.

19 Did you make that statement there is
20 because there is no -- there is not two switches
21 involved?

22 A. Right. There is not a 251(c)(2)

1 interconnection.

2 Q. And so where in 251(c)(2) does it say that
3 the interconnection has to be between two switches?

4 A. Interconnection -- 251(c)(2) is the linking
5 of two networks for the mutual exchange of traffic.

6 Q. All right. It doesn't necessarily say
7 between two switches of two different parties, right?

8 A. But there has to be a mutual exchange of
9 traffic, correct.

10 Q. So what is the actual connection that takes
11 place between ATT Corp and AT&T Illinois? Is it
12 fiber? Is it some kind of cross-connect? How long
13 is the actual circuit that connects the two parties?

14 A. I don't know how long the circuit is, but
15 according to the diagram on the legend it says it's a
16 10GigE fiber.

17 Q. Okay. And we talked a little bit about
18 this, but we didn't refer direct to your picture.
19 It's on Page 14 of your rebuttal testimony.

20 A. All right.

21 Q. Okay. So there you are trying to describe
22 that Sprint should bear the costs of changing the

1 traffic from IP format to TDM format rather than
2 AT&T; is that right? That's what your diagram is
3 depicting?

4 A. Correct.

5 Q. But if Sprint -- obviously if Sprint had IP
6 interconnection with ATT Corp or AT&T Illinois to
7 deliver this traffic, there would be no need for
8 those types of conversions to take place, correct?

9 A. I would say that if ATT Corp and Sprint
10 choose to have an IP-to-IP interconnection, that
11 would support any IP traffic between the two parties
12 that they would seek to exchange.

13 Q. Do you know what a session border
14 controller is?

15 A. Not really.

16 Q. Well, I have -- this is a good break spot,
17 because I am moving to the next topic if you guys
18 want to take a break, or I can plow on. I am moving
19 away from the IP interconnection part and then into
20 another part of Mr. Albright's testimony. It's up to
21 you guys.

22 JUDGE HAYNES: How much longer do you think you

1 have?

2 MR. SCHIFMAN: Probably 20 to 30 minutes.

3 JUDGE HAYNES: Just keep going.

4 BY MR. SCHIFMAN:

5 Q. So let's move to Issue 16 about the
6 decommissioning of the POIs, okay?

7 A. All right.

8 Q. All right. Now, we are going to go back to
9 your direct testimony, Page 18 of your direct
10 testimony. So this issue, Mr. Albright, is Issue 16,
11 and it's whether or not Sprint must obtain AT&T's
12 consent for the removal of its previously established
13 points of interconnection or POIs.

14 A. Yes, sir.

15 Q. Okay. And let's see here. So on Lines 466
16 to 481 you kind of -- you go through, and some of
17 this stuff is confidential. So we won't divulge the
18 confidential stuff, but you basically go through a
19 description of Sprint's network in Chicago and in
20 Illinois, right?

21 A. Yes.

22 Q. Okay. And you received data responses from

1 Sprint to compile this testimony, right?

2 A. Yes, sir.

3 Q. And you mention -- is tandem -- oh,
4 actually, here. I forgot. On the previous page,
5 Lines 458 and 459, you mention Sprint's proposal to
6 unilaterally modify the existing interconnection
7 arrangements after all these years would increase the
8 risk of tandem facility exhaust. Do you see that?

9 A. Yes, sir.

10 Q. Have you provided any evidence in this
11 proceeding that AT&T's TDM tandems are exhausting?

12 A. I am not talking about the tandem. I'm
13 talking about facilities. That would be the
14 facilities, the interoffice transport between
15 specific tandems.

16 Q. Okay. Have you provided any evidence that
17 the facilities are exhausting at this point in time?

18 A. No.

19 Q. So I think it's been stated before that
20 Sprint's roughly -- interconnected with roughly
21 70 points of interconnection with AT&T Illinois
22 currently; is that right?

1 A. I think that's what was testified, yes.

2 Q. Okay. And the more points of
3 interconnection a party has with another party there
4 are more chances of network failure at locations; is
5 that correct? So if you have 70 locations, there is
6 more chances that there would be a network failure at
7 a particular network location than if you had fewer
8 network locations; is that right?

9 A. Well, there may be more chances for each
10 individual one to have a failure. That reduces -- a
11 more ubiquitous network as you are describing here
12 reduces the chance that one single point of failure
13 could impact a larger portion of the network.

14 Q. Okay. Do you believe that Sprint's
15 position in this proceeding is to transition all 70
16 or so of its POIs to just a single POI in a LATA with
17 AT&T Illinois?

18 A. No, I do not.

19 Q. Okay. So you understand that Sprint wants
20 to have the option to decommission certain points of
21 interconnection, but isn't necessarily asking for
22 just a single POI in a particular LATA; is that

1 right?

2 A. Correct.

3 Q. It wants to have the ability to do that,
4 but it's not saying that that's the way Sprint is
5 going to go as part of its interconnection
6 arrangements with AT&T, right?

7 A. And I don't believe that AT&T has said that
8 they would deny Sprint that right.

9 Q. You don't believe that AT&T has said that
10 it would deny Sprint the right to decommission any
11 POI?

12 A. No.

13 Q. Okay. Let's look at the language then. Do
14 you have the DPL to give your witness?

15 So on Issue 16 do you see that the
16 disputed language is that Sprint may remove any
17 previously established POI for Sprint network
18 optimization subject to the other requirements of the
19 Section 2.2?

20 A. I see that.

21 Q. Okay. And so is it your understanding that
22 AT&T objects to Sprint having that language in the

1 contract?

2 A. Sprint objects -- AT&T objects to Sprint
3 placing language in that would give it unilateral
4 authority, yes.

5 Q. Okay. And so if -- so under this contract
6 language do you agree that it gives AT&T the right to
7 reject a Sprint -- Sprint's decommissioning of a
8 particular POI?

9 A. I believe that any carrier has the right to
10 manage its network as efficiently as possible, and so
11 I believe that AT&T agrees that Sprint has that
12 right, but conversely, if a decision that Sprint
13 makes is also going to impact AT&T's network, then I
14 think AT&T has the right to meet with Sprint to
15 discuss what are the implications, what are the
16 possible impacts to the network and object if they
17 feel like it's not in the best interest.

18 However, there are still -- there are
19 still methods that Sprint can go through to this
20 Commission to seek resolution if it's not an answer
21 they want. I don't believe that AT&T at any point
22 has indicated that they would say no to any

1 decommissioning request.

2 Q. I mean, but the language does give AT&T the
3 ability to say no to a particular request, right?

4 A. But I don't believe AT&T would say no
5 without just cause.

6 Q. Okay. But we are arbitrating language in
7 an agreement here. We don't -- you and I may agree
8 about what the best network stuff is, but you and I
9 may be gone tomorrow, and somebody else is going to
10 be around to enforce the terms of the contract.
11 We've got to just go by what's in the contract
12 language, don't we?

13 A. Correct.

14 Q. Okay. So do you think it's a problem if
15 Sprint decreased its number of POIs from six dozen to
16 a dozen? Would there be sufficient network
17 reliability if Sprint decreased the number of POIs
18 from 72 to 12, for example?

19 A. Well, depending -- and we have had some
20 off -- sidebar type conversations with Sprint. They
21 have approached us regarding some possible solutions
22 to this, and I think that depending on how those

1 negotiations go out, I would fully expect that we do
2 go down to something more on that line. I think
3 during the discussions at one point AT&T had
4 acknowledged that under the TELRIC model that Sprint
5 sought here that DEOTs would probably be the first
6 thing to go, and I believe you identified that as
7 being 34 interconnections. So there is half right
8 there.

9 Q. Yeah. So but we still have contract
10 language that says that AT&T needs to agree for
11 Sprint to decommission a particular POI?

12 A. Well, I think earlier when you asked -- you
13 asked me a question regarding how two carriers would
14 interconnect their network and you said would they
15 have -- would we specify what type of equipment or
16 how we are going to interconnect, and we both agreed
17 that probably the engineers would sit down and they
18 would determine what would be the best way to do
19 that. I think that's what AT&T seeks here. If
20 Sprint seeks to decommission, then I think it's only
21 fair that the engineers on both sides or the parties
22 get together to determine what's going to be the best

1 way to do this, and is it in the best interests of
2 both the customers or end users of Sprint and AT&T.

3 Q. Okay. And do you agree that it's Sprint's
4 legal right to just designate a single POI within a
5 LATA?

6 A. As a new entrant, yes.

7 Q. Okay. Is there -- what are you basing "as
8 a new entrant" in your answer there? What makes you
9 say that?

10 A. Well, I think if Sprint coming into -- any
11 carrier that is coming into a new market has the
12 right to designate single POI, and depending on their
13 business plan and how their business grows, I think
14 it's only logical that at some point they expand and
15 grow their business and add an additional POI in
16 order to support their business plan and create a
17 more robust and ubiquitous network.

18 Q. But you are not aware of any FCC rules or
19 Illinois rules that distinguish between requests --
20 for requesting carriers distinguishes between new
21 entrants and carriers that have provided service for
22 a number of years?

1 A. No.

2 Q. Okay. So you are aware that Sprint is
3 decommissioning its IDEN network, its IDEN network?
4 Are you aware of that?

5 A. I heard that yesterday for the first time,
6 and so that does -- that's something that I am sure
7 the parties would have to get together on, because
8 you can't just say we are going to decommission them,
9 because what are you going to do with those customers
10 behind them. They have to role over to something
11 else, whether it's to role over to one of the other
12 existing switches, or if you are going to add -- I
13 think I heard somebody say something about a super
14 switch or if you are going to add something else.

15 So I think there would have to be some
16 conversation between AT&T and Sprint in order to
17 determine exactly how we are going to manage that as
18 you retire that equipment out.

19 Q. Just to clear the record up, Sprint is
20 actually turning that network off, and so you
21 would -- so you would agree from AT&T's side that if
22 a party is no longer operating a certain network that

1 has multiple points of interconnection, that there is
2 no reason to maintain those points of interconnection
3 anymore, right?

4 A. Exactly.

5 Q. Do you have any idea how much annually
6 Sprint pays AT&T for interconnection trunks in
7 Illinois as a result of all the research you did for
8 your testimony?

9 A. No.

10 Q. Do you have any idea on a monthly basis?

11 A. No. I didn't look at any dollar amounts,
12 no.

13 Q. Okay. Would you agree with me that when
14 carriers -- the more POIs a carrier has with AT&T the
15 more interconnection facilities it has to either
16 purchase from AT&T or self provision?

17 A. Potentially, yes.

18 Q. So you would agree with me that Sprint has
19 a financial incentive to reduce the number of POIs in
20 Illinois, right?

21 A. I'm sure they do.

22 Q. And would you agree with me that AT&T has a

1 financial incentive to not allow Sprint to reduce the
2 number of POIs in Illinois?

3 A. Well, that would make sense, because as you
4 reduce from, say, four tandems, if you reduce to two
5 tandems, then AT&T is given the burden of providing
6 the transport to the other two tandems; so, yes,
7 there is an incentive there.

8 Q. So on Page 24, Footnote 21 of your direct
9 testimony --

10 A. I'm sorry. 24?

11 Q. Yeah, it's Page 24 and I am looking at --
12 well, first the language in Lines 586 to 589 and then
13 there is a Footnote 21. It talks about Sprint's
14 current agreement with AT&T.

15 A. Correct.

16 Q. So those -- that interconnection agreement
17 you say is dated June of 2001, right?

18 A. Yes, sir.

19 Q. So is it -- so is it AT&T's testimony then
20 that I think -- you have been working with me here
21 when we have been talking about this and saying that
22 AT&T would agree to work with Sprint, and, you know,

1 that sounds very mutual and we appreciate you talking
2 in that manner, because I think it does indicate a
3 spirit of cooperation on how parties can manage their
4 networks, but I am looking at your testimony and it
5 basically says, well, gosh, Sprint put these POIs in
6 back in 2001 pursuant to its interconnection
7 agreements, and, you know, therefore, you know, it's
8 -- can't allow Sprint to transition its current
9 network to -- well, your testimony says "For Sprint
10 to now suggest that it should be allowed sole
11 discretion to degrade its network from its current
12 multiple POI arrangements to a single POI arrangement
13 flies in the face of the goal of the Act to promote
14 facilities based competition." So I guess I am a
15 little confused based on what you said in here and
16 what's written in your testimony.

17 MR. ORTLIEB: An objection as to form of the
18 question. That was a doozy.

19 MR. SCHIFMAN: Would you like me to rephrase?

20 JUDGE HAYNES: Yes, you could rephrase it.

21 BY MR. SCHIFMAN:

22 Q. I apologize for the doozy there.

1 All right. So we have agreed that the
2 parties have -- you have talked to me about the
3 parties kind of cooperating about when Sprint can
4 decommission POIs, right?

5 A. Correct.

6 Q. And -- but I am looking at your testimony
7 on page -- well, first, on Lines 586 to 588 you cite
8 the Sprint current interconnection contracts which
9 required POIs to be established in various places,
10 including to end offices at a certain threshold,
11 right?

12 A. Correct.

13 Q. Okay. And then you -- and then in your
14 testimony at Lines 589 to 594, roughly, you are
15 stating that Sprint -- you know, it's not right for
16 Sprint to be able to decommission any of its POIs
17 that it established pursuant to its contract in 2001,
18 and so I am searching to see how we can make those
19 two statements mesh, the one that you said here on
20 the record, and the one that's in your testimony.

21 A. And I think they do mesh. What we said
22 here on the record when we were talking is I think

1 AT&T fully expects that under this new arrangement
2 that Sprint will decommission starting with the
3 DEOTs, and the IDEN switches that you identified and
4 possibly other locations as well, but there is a big
5 difference going from 70 down to 12 or 15 and going
6 from 70 down to 1.

7 Q. Okay. And so that's your -- that's one of
8 your major objections, if Sprint went down to 1, then
9 you have an objection to that, but is there any
10 number that we can identify between 1 and 12 where
11 your objection ends?

12 A. Yeah. I think that's part of the sidebar
13 conversations that we have had over the last several
14 weeks, but --

15 Q. But we are sitting here at a hearing. So
16 we don't have negotiated language in front of us. I
17 mean, we have disputed language in front of us.

18 A. Right. And so I don't know that -- I mean,
19 Sprint brought an offer to us. We have considered
20 it, and we made a counter, but we haven't had time to
21 discuss. So I don't know that it's appropriate to
22 bring that into this discussion.

1 Q. Okay. But you have no offer to make here
2 at the hearing on that?

3 MR. ORTLIEB: Certainly not on the record, no.

4 MR. SCHIFMAN: Okay.

5 JUDGE HAYNES: You said -- and I don't know if
6 that's in the record yet, DEOT? What is that?

7 THE WITNESS: Direct end office trunk group, a
8 DEOT, D-E-O-T.

9 JUDGE HAYNES: Thank you.

10 THE WITNESS: That's a direct end office trunk
11 group, and in the current contract that Sprint has,
12 which is common with CMRS carriers because of the
13 arrangement that we have traditionally predating the
14 Act, CMRS carriers we -- we generally had business to
15 business type relationships, and in those
16 relationships they would purchase facilities out of
17 the access tariff, and then we would -- we agreed
18 that what we would do is we would share the cost of
19 that facility. That's why you hear us refer to a POI
20 on both ends of the network. So we would share in
21 the cost of that so --

22 JUDGE HAYNES: I was really just looking for

1 the clarification.

2 THE WITNESS: So that's where it comes from.

3 So when they say they have 34 DEOTs or direct end
4 office trunk groups, our contract language, it says
5 that if they hit 24 DS0s, 1 DS1, that they will
6 establish a DEOT, and they'll pay for that facility
7 and we will share in the cost of that facility.

8 JUDGE HAYNES: Thank you.

9 MR. SCHIFMAN: Are you --

10 JUDGE HAYNES: Yes. I'm okay. Thank you.

11 MR. SCHIFMAN: All right. So --

12 JUDGE HAYNES: How much time do you have left?

13 MR. SCHIFMAN: I have just got a couple more
14 pages left.

15 JUDGE HAYNES: And pages translates to minutes
16 how?

17 BY MR. SCHIFMAN:

18 Q. Really just one more issue; so, okay, let
19 me ask you this quick question. On rebuttal Page 17,
20 Lines 392 to 94. Okay. So you talk there about
21 parties paying to establish a POI. Do you see that
22 language in your testimony?

1 A. Yes, sir.

2 Q. And so really when we are talking about a
3 POI and what's required, we are just talking about
4 parties plugging their equipment into ports on a
5 switch, right?

6 A. Well, there has to be some type of a
7 facility between the two networks in order to connect
8 those two switches, yes.

9 Q. Okay. And so the -- would you agree with
10 me that Sprint pays for its facilities to -- with
11 AT&T to establish POIs? It's your position in this
12 arbitration that Sprint has to pay for all of its
13 facilities on its side of the POI, right?

14 A. Well, in the current contract that we have
15 today, Sprint purchases these facilities through
16 access tariffs. So they pay access and then we share
17 in the cost of that, but to do that, when they
18 request these interconnection -- these POI
19 arrangements, if a facility exists then we will
20 work to -- the engineering on both sides has to
21 negotiate and meet -- determine what needs to be
22 done. If the facility doesn't exist, then AT&T may

1 have to actually build a facility out to that
2 location. So there is a cost, and I think that was
3 alluded to in Ms. Pellerin's testimony earlier today,
4 that they purchased a facility based on a one-year or
5 two-year or three-year or five-year contract, and
6 over the life of that contract it defrays the cost of
7 that facility. So if they choose now to convert and
8 decommission, then what happens to the sunk cost of
9 that facility as far as AT&T is concerned where we
10 may not have been able to recover that cost before
11 the life of that contract expired?

12 Q. If the POI is at a tandem AT&T doesn't have
13 to build out to reach its own tandems; is that
14 correct?

15 A. Well, we are talking about decommissioning
16 what currently exists, and what currently exists is
17 an arrangement where right now we have a shared
18 facility arrangement where there is a POI on both
19 networks. We deliver traffic to Sprint and we pay
20 for the portion of that facility. Sprint delivers
21 traffic to us. So if we are talking about
22 decommissioning those POIs, that facility then

1 becomes stranded investment.

2 Q. That's a special access facility that
3 Sprint has purchased out of the AT&T network,
4 right -- out of the AT&T tariff, right?

5 A. Purchased, but it's like going to purchase
6 a new car. If you purchase a car with a five or a
7 six-year contract but then in Year 2 you take it back
8 to the dealer and say, I don't want it anymore, what
9 does the dealer do with that other --

10 Q. Your testimony talked about we have been in
11 this -- those agreements have been in place since
12 2001. Has AT&T not recovered its cost since that
13 time?

14 A. I don't know how many POIs have been
15 established or reestablished or grown during that
16 time, whether those POIs have grown in size, what
17 type of augmentations have been -- have taken place.
18 So, I mean, it's hard to discern what's been involved
19 in that from a cost perspective. I didn't do a cost
20 study on it.

21 Q. Okay. So let's move to Issue 17, which is,
22 should Sprint be required to establish additional

1 POIs when -- roughly when traffic exceeds 24 DSIs.

2 And so you change the threshold from -- in your
3 direct testimony to rebuttal testimony from, what was
4 it, 24 DSIs to a DS3; is that right?

5 A. Right.

6 Q. So how does this -- how does that change
7 effect or impact Issue 16 on whether or not Sprint
8 can decommission POIs? Is there any impact,
9 whatsoever, on that?

10 A. Well, as I mentioned earlier, I think DEOTs
11 would be the first thing on the table to go. So I
12 think we would agree with that. For instance, in
13 LATA 358 and I -- we provided the data there,
14 number -- and I won't get into the confidential
15 numbers there, but there may be a number of tandems
16 where Sprint is currently interconnected that may
17 fall below that threshold sufficient to warrant, and
18 then you have also mentioned the IDENs, which is --
19 those are naturally going to go away. So when I put
20 my testimony together, I didn't know that IDENs were
21 going away.

22 Q. I understand.

1 A. So they were counted in this original
2 number. So I'm sure that's going to change it
3 dramatically.

4 Q. So is it your testimony that Sprint can
5 only decommission a POI if the volume of traffic on
6 the facility is less than a DS3? And I will let you
7 answer that question, and then I will ask another
8 one.

9 A. Normally when we put our language in for
10 when you establish an additional POI, then there --
11 conversely there is language that says, if it falls
12 below a certain threshold. For instance we say, if
13 it reaches this threshold for 90 days, then you
14 establish an additional POI. If it falls below that
15 threshold -- or a threshold, and it may be
16 50 percent. It may be something that we negotiate to
17 determine. At what point do you say this is no
18 longer viable for me? So we say if it falls below
19 that for a certain period of time then it makes sense
20 that that's not necessarily in your best economic
21 interests.

22 But if you are sitting here at a DS3

1 and one month you say, I need a DS3 plus two trunks
2 and the next month I need a DS2 plus, you know, 24
3 DS1s, if it's bouncing like that, then it doesn't
4 make good sense financially to say put it up, take it
5 down. Put it up, take it down.

6 So you have to have something that
7 makes sense. At what point would you say we are
8 down? Our need is decreasing and we are at a point
9 where it makes sense to decommission that. I think
10 that's part of the ongoing discussions that we still
11 have to work through, and I think that we may be
12 pretty close to that, but again, I don't know.

13 Q. I guess I am still trying to get a sense
14 of -- let's do it this way, if the Commission adopts
15 what Staff proposes, which is an OC-12 threshold,
16 correct?

17 A. Yes.

18 Q. And so if the OC-12 threshold is adopted by
19 the Commission, then is it your testimony that Sprint
20 could decommission all the POIs where it has less
21 than an -- an OC-12 or less of traffic?

22 A. Yeah. And I have testimony regarding that

1 OC-12 threshold, because I think when we look at the
2 numbers, the OC-12 threshold is at such a high rate
3 as -- there wouldn't be anybody that had
4 interconnection with AT&T that would meet that
5 threshold.

6 Additionally, the OC-12 threshold
7 that's referenced by Dr. Liu goes back to a Level 3,
8 and the language there is significantly different
9 than the language that's in AT&T's language. AT&T's
10 language says that when traffic through -- to an
11 existing POI to a specific tandem serving area
12 reaches a DS3 threshold, then you would add an
13 additional POI. The language from Level 3 says that
14 when traffic to a POI reaches an OC-12, then you
15 establish an additional POI. Well, that's much
16 different, because if you take that OC-12 and plug it
17 into AT&T's language as recommended by Dr. Liu, then
18 it would say that until traffic reaches an OC-12 at
19 this tandem, you don't ever have to establish a POI,
20 until it reaches an OC-12 over here, over here, and
21 you have got 13 tandems in LATA 358. If you are
22 saying that, you don't have to establish an

1 additional POI until each one of those tandems hits
2 an OC-12, and I don't see anybody ever doing it.

3 Q. Yeah. So you would agree with me that when
4 we are in arbitration here and we are looking at a
5 previous decision from the Commission, it's important
6 to look at the facts between those two parties that
7 were being arbitrated and the language that was being
8 suggested by the two parties, right?

9 A. It's much different than our language,
10 correct.

11 Q. Got you. Would you agree with me that
12 there is no threshold for a POI -- for the POI issue
13 in the federal rules; like there is no OC-12 or DS3
14 threshold continued in the federal rules, right?

15 A. Agreed.

16 Q. And the same for Illinois rules?

17 A. Well, except for the Level 3, but the
18 rules --

19 Q. I am talking about administrative rules.

20 A. You are correct. There is no
21 administrative rules.

22 Q. Okay. In fact, do you understand that the

1 administrative rules say explicitly that one POI per
2 LATA is permitted?

3 A. I don't know that, but okay.

4 Q. And do you know if there is any distinction
5 in the administrative rules between existing carriers
6 and new entrants?

7 A. Don't know.

8 Q. So rebuttal on Page 18, Lines 420 to 424
9 you are talking about if Sprint unilaterally
10 decommissions existing POIs it would necessarily
11 shift Sprint's transport costs onto AT&T Illinois at
12 a time when AT&T Illinois has no means to recover
13 those costs. Do you see that?

14 A. Yes, sir.

15 Q. But if Sprint has paid for the special
16 access facilities, say they bought it on a five-year
17 term, and the term is expired, then Sprint has fairly
18 compensated AT&T for the purpose of those access
19 facilities, right?

20 A. That's not what I am referring to here.

21 Q. Okay. So when you are saying no means to
22 recover those costs, what are you talking about?

1 A. If Sprint goes back to a single POI -- and
2 again, I will use 358 as an example. There are 13
3 tandems. So if Sprint has trunking to each one of
4 those 13 tandems, but meets us at only one, then AT&T
5 has to transport the trunk groups to each of the
6 other 12 tandems in the LATA. Under the
7 compensation, we would be entitled to transport and
8 termination for the transport of those trunks, but in
9 a bill-and-keep arrangement as we have got here,
10 there is no means for us to recover the costs of that
11 transport beyond that POI location.

12 Q. So we are operating in a bill-and-keep
13 environment now, right?

14 A. Exactly.

15 Q. And do you have any understanding of the
16 order that the FCC established where it established
17 bill-and-keep for wireless carriers, the CAF order we
18 have been referring to it as?

19 A. No. I'm not arguing with the -- that the
20 bill-and-keep is --

21 Q. I just want to get -- set that foundational
22 question. I'm not asking you to argue one way or the

1 another about --

2 A. Well, I haven't read the order, and I am --

3 Q. Okay. Is it your understanding that in
4 that order the FCC basically asked carriers to
5 recover their costs from their own customers rather
6 than recovering their costs from other companies'
7 customers?

8 A. I'm not aware of that, no.

9 Q. Okay. So go to Line 496 of your rebuttal.

10 A. Yes, sir.

11 Q. Okay. And there you basically talk about
12 the different capacities of interconnection
13 facilities that interconnecting carriers have with
14 AT&T Illinois in Illinois; is that correct?

15 A. Starting at --

16 Q. 489 down.

17 A. 489 through 496?

18 Q. Yeah.

19 A. That's the current number. I had our trunk
20 engineering group provide me with a detail of the
21 interconnections, all interconnections in the State
22 of Illinois via CLECs and by CMRS carriers, and

1 that's what I came up with. That's this data.

2 Q. Okay. And you mentioned that there is two
3 OC-12 interconnections in Illinois; is that right?

4 A. Only two, yes, sir.

5 Q. All right.

6 A. Which is --

7 Q. Two -- explain what that means where you
8 say, "Two have traffic volumes that exceed one OC-12
9 per month." What does that mean?

10 A. Okay. The trunk groups that -- when we
11 talked about hitting the threshold of a DS3 that we
12 have proposed, once your traffic hits that DS3 on 672
13 trunks, that's a DS3 equivalent. So there are two --
14 there are two interconnections that we have in the
15 State of Illinois. Both are in LATA 358, where the
16 trunk group size is at an OC-12 to a particular
17 tandem. OC-12 is 336 DS1s, and 336 times 24 gives
18 you the number of trunks.

19 So it's a ridiculous number of trunks.

20 So when you look at that many trunks, there were only
21 two interconnections that meet that level.

22 Everything else is significantly below.

1 Q. Does that carrier that has those
2 interconnections -- did you want to stop right now?

3 JUDGE HAYNES: No. Just finish. You are
4 almost an hour over.

5 BY MR. SCHIFMAN:

6 Q. Okay. So that carrier that had -- that
7 exceeds the OC-12, does it -- do you know how many
8 POIs it has with AT&T?

9 A. Yes, I do.

10 Q. In LATA 358?

11 A. Yes, I do.

12 Q. How many?

13 A. My goodness. I'll have to count it. And
14 that carrier is identified on Line 501 to 502.

15 Q. Yeah. That's confidential, right?

16 A. It's confidential.

17 MR. ORTLIEB: Right. And we are attempting to
18 do this without identifying that.

19 BY THE WITNESS:

20 A. And I'm not sure I can identify that on the
21 record either.

22 MR. ORTLIEB: No, you should not, Mr. Albright.

1 JUDGE HAYNES: So the number of POIs is also
2 confidential?

3 MR. ORTLIEB: No. I'm sorry. Just the
4 identity of the carrier.

5 BY THE WITNESS:

6 A. Give me just a second. I am adding it up,
7 because I didn't include it in here since it's
8 confidential. I don't have that with me right here.
9 I believe it's around 18.

10 BY MR. SCHIFMAN:

11 Q. Okay. Do you know if that carrier has more
12 than a DS3's worth of traffic at another tandem?

13 A. Yes. That's also on Line 502 through 503.
14 There are four -- four interconnections at the DS3
15 level, and then there are eight additional DS --
16 interconnections at the OC-3 level.

17 Q. Okay. Does that carrier have -- strike
18 that.

19 A. So that -- that is, what? So that's two
20 exceed the OC-12, eight exceed an OC-3, and four
21 exceed a DS3, and I believe there are seven that are
22 below a DS3, but I would have to go back and look at

1 my data.

2 MR. SCHIFMAN: All right. I am finished.

3 JUDGE HAYNES: Okay. Before we go to redirect,
4 I am wondering -- before we go to Staff, just for
5 tomorrow morning, what time do we need the video
6 hookup with Springfield?

7 MS. SWAN: If I could clarify, I think I
8 misspoke this morning when saying we couldn't go past
9 5:00. So perhaps we have more lenience or more
10 options today. Staff will -- the current phone line
11 they are on will be shut off at 5:00, but they can
12 call in on a different line. So we could go beyond
13 5:00.

14 JUDGE HAYNES: Okay. But do we need the video
15 hookup at 9:00 tomorrow morning or 10:00 tomorrow
16 morning?

17 MR. LANNON: Whatever is easier. I don't think
18 we need to get to either Dr. Rearden or Dr. Zolnierrek
19 right away. So I think we could get it at 10:00. We
20 have got plenty of other witnesses to deal with from
21 9:00 to 10:00.

22 JUDGE HAYNES: Okay. I'm sorry. Now, go ahead

1 with your cross.

2 CROSS-EXAMINATION

3 BY MS. SWAN:

4 Q. Hi, Mr. Albright. I am Kim Swan. I
5 represent the Staff of the Illinois Commerce
6 Commission. I only have a few questions for you, but
7 they have to do with some of that confidential
8 information about the thresholds for POIs. So I
9 think we might have to go in camera.

10 JUDGE HAYNES: Okay. So this portion of the
11 transcript needs to be marked as confidential.

12 MR. LANNON: The only people on the phone are
13 the two Staff witnesses. So they don't matter.

14 (Whereupon, the confidential
15 portion of the transcript
16 begins.)

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1 CONTINUATION OF PROCEEDINGS

2 JUDGE HAYNES: Okay. Do we want to take a
3 break before redirect?

4 MR. ORTLIEB: Yes, thank you very much.

5 (Whereupon, a short break was
6 taken.)

7 JUDGE HAYNES: Okay. Let's go back on the
8 record. Redirect.

9 REDIRECT EXAMINATION

10 BY MR. FRIEDMAN:

11 Q. I will be asking just a few questions about
12 IP-to-IP interconnection. Do you remember, Mr.
13 Albright, way, way back when, when Mr. Schiffman asked
14 you a couple questions about your understanding of
15 what Sprint is asking for now in this case in
16 connection with IP-to-IP interconnection?

17 A. Yes.

18 Q. Do you remember that? Let me try to -- let
19 me ask you a couple questions about that. You
20 understand that eventually an interconnection
21 agreement will emerge from this arbitration?

22 A. Yes.

1 Q. And presumably it will be approved by the
2 Commission?

3 A. Correct.

4 Q. And then it will go into effect?

5 A. Yes, sir.

6 Q. All right. And you know that the day it
7 goes into effect is sometimes called the effective
8 date?

9 A. Yes, sir.

10 Q. All right. Now, as you understand it,
11 which of the following two things, if either, is
12 Sprint asking for as of the effective date? Is
13 Sprint asking to have IP-to-IP interconnection with
14 AT&T Illinois as of the effective date, or is Sprint,
15 as you understand it in this case, asking to have as
16 of the effective date a contract that provides for it
17 to talk about IP interconnection with AT&T Illinois
18 and to try to arrive at terms and conditions for
19 IP-to-IP interconnection?

20 A. Your second scenario.

21 Q. Change of subject. You remember when you
22 were talking some with Mr. Schiffman about the one

1 soft switch. Where did you say that was, the one
2 soft switch in Illinois?

3 A. I believe it's in Newcastle.

4 Q. Newcastle. I think you used an acronym
5 that wasn't previously used today. I think you said
6 that that switch could either be provisioned to do IP
7 or to do ATM?

8 A. Yes, sir.

9 Q. What is ATM?

10 A. Asynchronous transfer mode.

11 Q. And the switch, in fact, is provisioned
12 which way?

13 A. As an ATM.

14 Q. And does that translate into -- I get to
15 use another acronym that we have talked about today.
16 I think you said TDM?

17 A. Time division multiplexing.

18 Q. So it is functioning as a TDM switch?

19 A. Yes, sir.

20 Q. Now, you remember talking a fair amount
21 with Mr. Schiffman about the possibility of Sprint
22 establishing an IP-to-IP interconnection with AT&T

1 Illinois at various places?

2 A. Yes.

3 Q. Could Sprint establish an IP-to-IP
4 interconnection with AT&T Illinois at that soft
5 switch in Newcastle?

6 A. No.

7 Q. Why not?

8 A. As I mentioned, the soft switch can be
9 provisioned in one of two ways, as an ATM switch
10 supporting a TDM network or as an IP switch
11 supporting an IP network. This switch has been
12 provisioned in the ATM mode in order to provide
13 static or designated channels at the DS1/DS0 level.
14 So it interconnects with all of its end offices and
15 other tandems as if it were a tandem switch. It does
16 not have IP capability.

17 Q. Imagine just for fun that the Illinois
18 Commerce Commission came out with an executive order
19 that said to AT&T Illinois, thou shalt permit Sprint
20 to establish IP-to-IP interconnection at that soft
21 switch in Newcastle. Do you have an understanding of
22 what AT&T Illinois would have to do in order to

1 comply with that?

2 A. Well, in order to do that, because it's
3 already interconnected at a TDM level with other end
4 offices and tandems, it would have to be
5 de-provisioned and then reconfigured as an IP switch.

6 So you would have to take it out of
7 service and out of the network, re-provision it as an
8 IP switch in order to make that available.

9 Q. Do you remember talking with Mr. Schiffman
10 about a pres release? I think it might have been
11 Exhibit 1.5 to Mr. Burt's testimony.

12 MR. SCHIFMAN: For the clarification of the
13 record it's 1.6.

14 BY MR. FRIEDMAN:

15 Q. Thank you. 1.6.

16 A. Yes, sir.

17 Q. Had you seen that press report before
18 today?

19 A. No, sir.

20 Q. Were you familiar with the plans, the
21 specifics of the plans that it described where, if I
22 recall correctly, it talked, for example, about a

1 plan to make VoIP available to 75 percent of end
2 users by the end of 2015?

3 A. No.

4 Q. I am going to tell you an impression that I
5 had. I am going to ask you if it's correct or not.
6 When you were answering questions about that press
7 release, it was my impression that in order to answer
8 them what you were doing was reading the press
9 release and feeding back to Mr. Schiffman information
10 you were able to glean from it rather than telling
11 him things that you knew that were in your mind, you
12 know, when you sat down at that table today; is that
13 correct?

14 MR. SCHIFMAN: I will object as leading.

15 MR. FRIEDMAN: All right. I will rephrase the
16 question.

17 JUDGE HAYNES: Thank you.

18 BY MR. FRIEDMAN:

19 Q. Was that correct or was that incorrect?

20 A. It is correct.

21 MR. SCHIFMAN: Same objection. I move to
22 strike it.

1 JUDGE HAYNES: Do you want to rephrase your
2 question, yes or no, or --

3 MR. FRIEDMAN: I think that a question -- a
4 question that asks to give me a yes or a no is not a
5 leading question, but if you would like me to
6 rephrase it, I will.

7 JUDGE HAYNES: Please.

8 BY MR. FRIEDMAN:

9 Q. When you were answering Mr. Schiffman's
10 questions about the press release, could you describe
11 the method by which in your mind you went about
12 answering his questions?

13 A. Well, he asked me about a number of
14 possible VoIP users, and so I looked up. I looked in
15 there and I read ahead to see what it said that they
16 had for U-verse to see if that matched up or kind of
17 made sense with what he was asking me, yes.

18 Q. Okay. Mr. Schiffman also asked you some
19 questions about Exhibit 1.5 -- or 1.5 to Mr. Burt's
20 testimony, which, I think, was an AT&T filing of some
21 sort with the FCC. Do you remember that?

22 A. A big document.

1 Q. Okay. Do you remember him asking you some
2 questions before he asked the questions about the
3 press release about another attachment to Mr. Burt's
4 testimony with the submission to the FCC?

5 A. I think so.

6 Q. Had you seen that document before?

7 A. No.

8 Q. Were you knowledgeable about its content in
9 the positions that it advanced before you looked at
10 it?

11 A. No.

12 Q. When Mr. Schiffman was asking you questions
13 based on that document, by what method did you go
14 about formulating your answers?

15 A. I think I was just asked to read several
16 excerpts from it.

17 Q. In any of your answers did you bring to
18 bear any information that you had when you first sat
19 down at that table today when he was asking you about
20 that document?

21 A. Any info -- no.

22 Q. I am going to ask you a question. If you

1 don't know the answer, just say you don't know,
2 because you may not know. Do you know whether ATT
3 Corp is supposed to be a party to the interconnection
4 agreement that is the subject of this arbitration?

5 A. I would say no.

6 MR. FRIEDMAN: That's all the redirect that I
7 had on the IP-to-IP interconnection.

8 FURTHER REDIRECT EXAMINATION

9 BY MR. ORTLIEB:

10 Q. And I had just a few areas to explore on
11 the POI issues.

12 Mr. Albright, do you recall a
13 conversation with Mr. Schiffman about whether AT&T
14 Illinois has financial incentives not to reduce the
15 number of POIs?

16 A. Yes.

17 Q. Now, would that prevent AT&T from agreeing
18 to reduce the number of POIs?

19 A. No.

20 Q. Were you suggesting in any way that a
21 financial benefit would influence AT&T's decision
22 about reducing the number of POIs?

1 A. No.

2 Q. Is it your testimony that AT&T's decision
3 about whether to agree on the reduction of the number
4 of POIs would be driven by network concerns and not
5 financial concerns?

6 A. Yes, sir.

7 Q. Now, with respect to the whole topic of
8 decommissioning POIs, do you recall a conversation
9 about whether there is a traffic threshold that
10 applies to decommissioning POIs?

11 A. Yes, sir.

12 Q. And you also recall a separate conversation
13 about a traffic threshold that applies to
14 establishing new POIs?

15 A. Yes, sir.

16 Q. And is it your understanding that when
17 Staff has proposed an OC-12 standard for establishing
18 new POIs that that has anything to do with
19 decommissioning existing POIs?

20 A. No. My understanding was that OC-12 was
21 the threshold recommended by Staff to establish an
22 additional POI, but that Staff's recommendation was

1 that Sprint should not be allowed to decommission its
2 existing POIs.

3 Q. And likewise, with respect to the AT&T
4 Illinois proposal to establish a threshold for the
5 establishment of additional POIs at one DS3, does
6 that apply only to the establishment of new POIs and
7 not to the decommissioning of existing POIs?

8 A. I don't believe it has a bearing on it, no.

9 MR. ORTLIEB: Thank you.

10 MR. SCHIFMAN: Nothing further.

11 JUDGE HAYNES: Nothing?

12 MR. SCHIFMAN: Nothing.

13 JUDGE HAYNES: Okay. Staff, did you have
14 further questions?

15 MS. SWAN: No, we didn't. Thank you.

16 JUDGE HAYNES: Thank you, Mr. Albright.

17 THE WITNESS: Thank you.

18 (Whereupon, the witness was duly
19 sworn.)

20 WILLIAM E. GREENLAW,
21 having been first duly sworn, was examined and
22 testified as follows:

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DIRECT EXAMINATION

BY MR. FRIEDMAN:

Q. Please state your name.

A. William E. Greenlaw.

Q. Who do you work for?

A. AT&T Services, Inc.

Q. You work for AT&T Services, Inc.?

A. That's correct.

Q. And what is your job title?

A. Area Manager, Regulatory Relations.

Q. Do you have in front of you AT&T Illinois Exhibit 3.0 consisting of 54 pages of questions and answers with no exhibits?

A. That is correct.

Q. Is that your direct testimony in this -- that was filed in this matter?

A. Yes.

Q. Do you have any corrections to it?

A. Actually, I do have a few clerical corrections. The first one being on Page 14 on Line 340 the last sentence states, "As I will explain, AT&T Illinois deposit language provides detail that

1 is" -- the phrase "that is" should be struck, and the
2 word "that" should actually be between provides and
3 detail.

4 MR. PFAFF: I'm sorry. Was this in your
5 direct?

6 THE WITNESS: Yes, sir.

7 MR. PFAFF: And could you say it again?

8 THE WITNESS: Page 14 on Line 340. And then on
9 Page 38 --

10 MR. FRIEDMAN: Hang on just one second. I'm
11 not sure that Mr. Pfaff is with us here.

12 THE WITNESS: Sorry. Just let me know when you
13 have located it.

14 JUDGE HAYNES: So is it that there is a line
15 missing?

16 THE WITNESS: A word was misplaced.

17 JUDGE HAYNES: Can you read the whole sentence
18 that starts on 340, "As I will explain"?

19 THE WITNESS: Sure. Okay. And it's the last
20 complete sentence on 340.

21 "As I will explain, AT&T Illinois
22 deposit language provides detail that is..." that

1 was truncated, and I wanted to strike the phrase
2 "that is" at the end of that line and simply place
3 that between the words "provides" and "detail."

4 JUDGE HAYNES: Oh, provides that detail.

5 BY MR. FRIEDMAN:

6 Q. Okay. Please go ahead.

7 A. Okay. And on Page 38, beginning on Line
8 1017 there are actually a few corrections on the next
9 couple of lines, but they all relate to simply a
10 mislabeling of the issue. It should be Issue 53 and
11 it's labeled as Issue 51. More specifically on Line
12 1017 whereby it says, "The Commission should resolve
13 Issue 51(a) in favor of, that should be Issue 53(a).
14 On Line 1021 of the same page, the question again
15 states, what about Issues 51(b) and 51(c). That
16 should simply be 53(b) and 53(c). On the next page,
17 Page 39, again the same issue. Line 1023, whereas
18 it -- the sentence states, "The resolution of Issue
19 51 -- 51(c) depends on the resolution of Issue 51(a),
20 again, that should be 53(c) and 53(a) respectively.

21 And lastly, with respect to the issue
22 correction on Line 1025, the first word or number of

1 that line again states 51(a). That should be 53(a),
2 and then the sentence continues, "The Commission
3 should resolve Issue 51(c) in favor of" and that
4 should be Issue 53(c). At that point I woke back up
5 and started putting the right issue number on again.

6 And one final correction, on Page
7 47 -- and again, this is all in my direct
8 testimony -- at Line 1251 where the line begins,
9 "Prior Commission prerequisite for disconnection,"
10 that should have stated prior Commission approval, a
11 prerequisite for disconnection.

12 Q. So we are just inserting the word
13 "approval" after Commission?

14 A. That is correct, and those are all my
15 corrections.

16 Q. With those corrections, is the testimony in
17 Exhibit 3 all true?

18 A. Yes, it is.

19 Q. Do you have in front of you AT&T Illinois
20 Exhibit 3.1, your rebuttal testimony consisting of 31
21 pages of questions and answers with no exhibits?

22 A. Yes, I do.

1 Q. That's your rebuttal testimony in this case
2 prepared by you and under your direction?

3 A. That's correct?

4 Q. Do you have any corrections to it?

5 A. No.

6 Q. Is all that testimony true?

7 A. Yes.

8 Q. AT&T Illinois moves to admit into evidence
9 Exhibits 3 and 3.1 and tenders Mr. Greenlaw for
10 cross-examination. These exhibits were filed on
11 e-Docket the same date as the others, which I think
12 was December 5th, 2012, and February 13, 2013.

13 JUDGE HAYNES: Is there any objections?

14 MR. PFAFF: No objection.

15 MS. SWAN: No objection.

16 JUDGE HAYNES: AT&T Exhibits 3.0 and 3.1 are
17 admitted.

18 (Whereupon, AT&T Exhibit Nos.
19 3.0 and 3.1 were marked for
20 identification and admitted into
21 evidence.)

22 JUDGE HAYNES: Cross-examination.

CROSS-EXAMINATION

BY MR. PFAFF:

Q. Good afternoon, Mr. Greenlaw. How are you?

A. Fine.

Q. My name is Jeff Pfaff. I will be asking you some questions on behalf of Sprint. Are you having trouble hearing me?

A. No. I hear you fine.

Q. In fact, a lot of times I really don't need the microphone, but the court reporter, too, if I speak to quickly, just let me know. All right. Thank you.

You would agree that most of your direct and rebuttal testimony deals with the deposit and escrow provisions; is that correct?

A. Generally speaking, that's a fair statement.

Q. Okay. And in reviewing your testimony, I did not see anywhere where you claim that Sprint is a credit risk; is that correct?

A. Based on the circumstances that are available at this time, that is correct. I did state

1 that.

2 Q. Okay. And so just so we are clear, in your
3 view, Sprint is not a credit risk at this time; is
4 that correct?

5 A. At this time.

6 Q. And did you say anywhere in your testimony
7 that Sprint was not in the habit of paying its bills?

8 A. No. My testimony was dealing with the
9 parameters around the deposit and escrow provisions
10 more than the actual operational impact of Sprint's
11 payment currently.

12 Q. Okay. And nowhere in your testimony did
13 you say that Sprint was not in the habit of paying
14 its bills, did you?

15 A. That's correct.

16 Q. Do you believe that Sprint pays its bills
17 timely?

18 A. Based on the information I have received,
19 yes. Again, I'm not in our billing and collections
20 department.

21 Q. Okay. And can I assume that if Sprint
22 hadn't paid its bills timely or was not in the habit

1 of paying its bills you would have included that in
2 your testimony; is that right?

3 A. If I was aware of it, yes.

4 Q. In your rebuttal testimony starting on Page
5 4, Line 116 and it actually starts on Line 115 -- do
6 you see that?

7 A. Yes.

8 Q. And you say there, "As I tried to make
9 clear in my direct testimony, that is really AT&T
10 Illinois' principal concern. If Sprint were the only
11 carrier with which AT&T Illinois was going to have an
12 interconnection agreement, we would not be as worried
13 about deposit language. Did I state that accurately?

14 A. I believe you did.

15 Q. And so is it correct to say then that --
16 I'm sorry. That AT&T's principal concern is not
17 about Sprint, but is about other carriers opting into
18 this agreement?

19 A. Carriers opting into the agreement
20 obviously are a concern. I was putting context
21 around Mr. Omoniyi's testimony. It's very important
22 to AT&T to still have strong and clear, complete

1 deposit parameters irregardless of a particular
2 carrier and their current financial condition,
3 because these parameters are going to cover the
4 agreement for the duration of that agreement, and not
5 just today or two months ago or whenever the
6 evaluation would be made.

7 Q. Okay. I am going to ask you again, though,
8 your testimony says that it is AT&T's principal
9 concern and your principal concern is about carriers
10 opting into this agreement; is that correct?

11 A. Based on what you read in my testimony,
12 that was stated as a principal concern, not the only
13 concern, but a principal concern.

14 Q. Mr. Greenlaw, I am really trying hard to
15 ask questions that really call for very short
16 answers, and, you know, you can explain all you like,
17 and I am just going to keep coming back and asking
18 the same question, okay?

19 So I am going to ask you again, is it
20 correct that it's AT&T's principal concern, other
21 carriers opting into this agreement, yes or no?

22 MR. FRIEDMAN: I am going to object. The

1 question was asked and answered. Mr. Pfaff was not
2 100 percent happy with the wording of his answer, but
3 the question was, is it correct this is the principal
4 concern, and the witness said, yes, according to my
5 testimony it is, but it's not the only concern. That
6 is his answer.

7 JUDGE HAYNES: Sustained.

8 BY MR. PFAFF:

9 Q. Would you agree that Sprint proposed
10 language in Section 9.1 that was in part trying to
11 deal with AT&T's concerns? And if you like,
12 certainly somebody can point you to Sprint's proposed
13 language in Section 9.1?

14 A. In the interest of time, I remember it. I
15 just want to look at it directly, though. Okay. I
16 am looking at 9.1.

17 Q. Okay. And could you read what that says,
18 what Sprint's proposed language is?

19 A. Yes. The proposed language states, "Based
20 upon the parties' experience throughout the time a
21 mini interconnection agreement between the parties
22 has been in effect. No deposit amount is required

1 from either party as of the effective date."

2 Q. You say on your testimony -- and this is
3 your direct -- on Line 458 you indicate that Sprint's
4 bills run to more than 50,000 a month; is that
5 correct? And I'm sorry. This is -- let me get you
6 to the page number. This is on Page 18 of your
7 direct.

8 A. Yes, I see that.

9 Q. Okay. Can you tell me how you arrived at
10 that number?

11 A. I received information from our billing
12 operations team as to what Sprint's annual billings
13 were.

14 Q. I'm sorry. Did you say annual billings?

15 A. Correct. But from that we could glean a
16 monthly total.

17 Q. So you extrapolated down?

18 A. Correct.

19 Q. And I'm sorry. Could you tell me again?
20 What was the group that you received this information
21 from?

22 A. Our billing operations group, the group

1 that would manage Sprint's daily billing interaction
2 with AT&T.

3 Q. And are these bills related to
4 interconnection, or do they relate to access
5 facilities?

6 A. These would be any bills that would be
7 under the Sprint CMRS carrier entity. These would be
8 exclusive of, for example, CLEC charges.

9 Q. And this is bills to the wireless entity,
10 but would it include facilities, facilities charges?

11 A. I believe so.

12 Q. And you indicate in here in this testimony
13 that the Sprint bills run in excess of 50,000 a
14 month, and again, you don't say anything in here
15 about Sprint not paying its bills; is that correct?

16 A. Yes, that's correct.

17 Q. Nor did you say anything -- you don't
18 indicate here that Sprint is in the habit of
19 disputing its bills either, do you?

20 A. Not in this section of the testimony. Our
21 issues regarding dispute were more about the format
22 on how those disputes were transmitted, which is

1 another issue, I realize.

2 Q. Okay. But even in the section having to do
3 with the dispute form that you are referring to, do
4 you make any statement that Sprint is in the habit of
5 disputing its bills?

6 A. I don't believe so.

7 Q. I noticed on -- in your direct testimony on
8 Line 22 --

9 MR. FRIEDMAN: I'm sorry. A page?

10 BY MR. PFAFF:

11 Q. Page 1. I am moving backwards. And you
12 say that you provide support for wholesale products
13 and pricing; is that correct?

14 A. Page 1 of my direct?

15 Q. Yeah, on line -- starting on Line 22 you
16 indicate you provide regulatory support?

17 A. Okay. That's correct.

18 Q. And do you consider interconnection to be
19 one of the wholesale products that you provide
20 support for?

21 A. In the context of -- in the context of the
22 general terms and conditions, yes, I consider

1 interconnection more of an obligation, you know,
2 pursuant to the terms under the Act than a product in
3 and of itself.

4 Q. And by that do you tend to mean something
5 that AT&T sells to competitive carriers?

6 A. No. By that I simply meant the
7 responsibility AT&T has to interconnect with other
8 carriers pursuant to the statutes on the books.

9 Q. Do you ever get involved in disputes with
10 other carriers about those obligations?

11 MR. FRIEDMAN: I'm sorry. Do you mean Mr.
12 Greenlaw?

13 BY MR. PFAFF:

14 Q. I'm sorry, yes. Mr. Greenlaw,
15 specifically.

16 A. No, I don't.

17 Q. You do understand, though, that disputes
18 are filed in the course, normal course of business?

19 A. Certainly.

20 Q. You don't disagree that a party should have
21 the right to file a good faith dispute, do you?

22 A. No. Our proposed language has terms for

1 that to be done, and it's done regularly.

2 Q. I'm sorry. I didn't mean to interrupt you.

3 A. No. I just meant, and it's done regularly.

4 It's obviously a key provision in our own general
5 terms and conditions.

6 Q. And you would agree that billing disputes
7 are frequent; is that correct?

8 A. They happen, yes.

9 Q. And I would like you to point to Page 53 of
10 your direct testimony starting with Line 1387, and
11 you state in that testimony, "Bills for services
12 provided under an ICA can be voluminous and complex,
13 and billing disputes are frequent. AT&T Illinois
14 receives many billing disputes from many carriers."
15 Did I correctly state that?

16 A. You did.

17 Q. Is it your testimony that these many
18 carriers are filing non-good faith disputes?

19 A. It's hard to answer that exclusively one
20 way or another. Obviously, there are instances where
21 non-good faith disputes are filed. There are also
22 instances where what would be considered good faith

1 disputes are filed and follow the parameters of the
2 interconnection agreement that that carrier may be
3 in. So it's hard to give a black and white answer on
4 that.

5 Q. But you agree that billing disputes are
6 frequent, correct?

7 A. My testimony speaks for itself. I guess
8 it's hard to define what you mean by frequent versus
9 what was intended there. Simply that it is an
10 occasion that comes up, and it certainly needs to be
11 addressed with proper contract language.

12 Q. Starting on Page 18 of your direct, and
13 this is continuing on to Page 19. You indicate that
14 the Commission should use the rationale from the
15 MCI -- and I'm sorry. Are you there?

16 A. Yeah, I am here.

17 Q. You indicate that the Commission should use
18 the rationale from the MCI 2004 arbitration as a
19 basis for granting AT&T's deposit language; is that
20 correct?

21 A. Correct. That was a docket that was cited.

22 Q. And do you recall that the arbitration

1 proceeding referenced in that docket occurred after
2 MCI's bankruptcy?

3 A. Yes.

4 Q. To your knowledge, has Sprint ever declared
5 bankruptcy?

6 A. To my knowledge, no.

7 Q. Okay. Is it correct to say then that
8 Sprint and MCI are not in the same position as MCI
9 was during the '04 proceeding?

10 A. Not knowing the financials, based on just
11 comparing Sprint and MCI, I would have to agree with
12 that.

13 Q. Thank you. As we discussed above, AT&T's
14 principal concern has to do with other carriers
15 opting into Sprint's deposit language, correct?

16 A. Not the only concern, but yes, a principal
17 concern.

18 Q. Do you know how many competitive carriers
19 there are in Illinois?

20 A. If I had the latitude to give an
21 approximate number based on a review of active
22 interconnection agreements, approximately 140, but

1 again, just to put that in some context, you can have
2 an active interconnection agreement, and that carrier
3 may have ceased doing business, and that was
4 inclusive of both CLECs and CMRS carriers, wireless
5 carriers.

6 Q. And I won't hold you to that number, but
7 around 140, somewhere in that range?

8 A. Yes.

9 Q. And so you said that's based upon kind of
10 your understanding as to the number of
11 interconnection agreements AT&T has?

12 A. Correct. One further caveat, when that
13 analysis was checked, that was a few months ago
14 earlier in the history of this docket. So could
15 there be fluctuation up or down a little bit, sure,
16 but I think that number is pretty safe as an
17 approximation.

18 Q. I would be surprised if a significant
19 number of interconnection agreements were filed since
20 then.

21 A. You are probably right.

22 Q. In your direct testimony starting on Page

1 12 on line -- starting on Line 290. Are you there?

2 A. Yes, I am.

3 Q. Okay. You say, in fact, even though most
4 of AT&T Illinois' 143 active interconnection
5 agreements allow AT&T Illinois to demand a deposit,
6 you currently hold the deposit from only 19 of the
7 143 CLEC and CMRS providers; do you see that?

8 A. I do see that.

9 Q. And did I state that correctly?

10 A. You did.

11 Q. Consistent with your testimony earlier
12 about 140 interconnection agreements, correct?

13 A. Correct.

14 Q. And these are carriers that, according to
15 your testimony, already have interconnection
16 agreements with deposit language; is that right?

17 A. To my knowledge, yes.

18 Q. And so these are carriers that AT&T really
19 doesn't need any protection from opting into AT&T's
20 agreement, do they?

21 A. We are speaking about the 19?

22 Q. Well, no. You say you have 143 agreements

1 that are already -- AT&T already has where they can
2 request a deposit from another carrier. So it
3 already has agreements with those carriers.

4 A. I see what you are saying, yes. But if I
5 could -- I answered that, yes, but many of these
6 agreements are expired or could be expiring. We
7 could be entering into negotiations with these
8 carriers for new language, new interconnection
9 agreement language, which obviously would govern
10 deposits. So, you know, when that window opens they
11 could avail themselves of a Sprint agreement via
12 252(i), and that's why that is still a, quote,
13 unquote, "principal concern."

14 Q. Thank you. I am going to ask you about
15 AT&T Cross Exhibit 2. Mark, do you have that? Do
16 you guys have that still? Would you mind just giving
17 it to your witness? Thank you.

18 That is -- and you have been here for
19 the last couple days, and so you know there has been
20 testimony that Sprint has a current ICA -- Sprint PCS
21 has a current ICA with AT&T, correct?

22 A. Correct.

1 Q. And so you understand that that's the
2 current agreement that's been discussed; is that
3 correct?

4 A. If you are telling me that this is the
5 correct agreement, I will take that.

6 Q. Thank you. Do you know if there is any
7 deposit language in that agreement?

8 A. Not without examining the agreement.

9 Q. Okay. You certainly didn't cite to your --
10 you didn't say anywhere in your testimony that
11 Sprint's current agreement had deposit language; is
12 that correct?

13 A. That's correct.

14 Q. Okay. And if I indicated to you that there
15 is no deposit language in that agreement, would you
16 disagree with that?

17 A. Without reviewing the agreement, it would
18 be hard to agree or disagree. I do know the
19 agreements from that vintage, the market was a little
20 bit different. Some of these things I think probably
21 refer to tariff references. Were there deposit
22 provisions within the tariff that are pointed to by

1 cross-reference, I don't know. If you are telling me
2 there is no deposit language in it, I can't agree or
3 disagree with you at this point in time.

4 Q. Fair enough. Are you aware of -- if there
5 have been any carriers that have opted into this
6 agreement?

7 A. I'm not directly aware, no.

8 Q. And certainly the -- if there was no
9 deposit language in this agreement, the current
10 agreement, and the 143 carriers have entered into
11 agreements with deposit language, I guess it's safe
12 to say they didn't opt into this agreement. Wouldn't
13 that be correct?

14 A. More than likely, yes. We certainly have
15 agreements -- a handful of agreements that may be
16 this old. This is a very old agreement. So
17 understand a lot of the 143 would be the result of
18 interconnection agreements that have resulted since
19 this time.

20 Q. And there has been some -- strike that.

21 Am I correct that in your testimony
22 you didn't cite to one instance where a carrier had

1 opted into a Sprint agreement? That's my question.

2 A. I believe that's correct.

3 Q. Okay. Moving to the escrow issue.

4 Would you agree that under AT&T'S view
5 as long as none of the exceptions are met in the
6 escrow language, even if Sprint has a good faith
7 dispute it must either pay AT&T or pay the amount
8 into escrow?

9 A. The way you are asking the question I will
10 admit, of course, those exceptions do address a
11 number of types of disputes that could fall between
12 Sprint and AT&T. So if none of those exceptions are
13 met, I will agree with your answer.

14 Q. And even if --

15 A. Go ahead. I was just going to say, but of
16 course, the exceptions that we proposed in the
17 current escrow language are the key provision of the
18 escrow language. AT&T is certainly aware of past
19 precedent in the dockets that have been cited both on
20 escrow and other issues. If the circumstances or the
21 marketplace were essentially the same as they were
22 in, say, 2004, for example, we probably wouldn't be

1 here debating the escrow issue, but with respect to
2 escrow, AT&T has taken those precedents, tried to
3 adjust its language to meet some of the concerns that
4 were expressed at that time, and that's the result of
5 our current language.

6 Something like deposit where, again,
7 the deposit language that was approved in 04-0469 was
8 much more comprehensive than what Sprint proposes.
9 The circumstances really haven't changed. So,
10 therefore, our proposed language more closely mirrors
11 that.

12 Q. And I would like to be clear that none of
13 the exceptions that you claim provide certain
14 protections to the billed party provide for a carrier
15 that has a good faith dispute; is that right?

16 A. I apologize. Could you restate that?

17 Q. Sure. And there are, I think -- and you
18 have indicated there are four exceptions, okay, some
19 having to do with the amount, but there is no
20 exception that says, "And a party is excused from the
21 escrow requirement if it has a good faith dispute."
22 Is that correct?

1 A. If the criteria is only a good faith
2 dispute, no, because obviously it has to be a good
3 faith dispute that would fall within those parameters
4 that AT&T has proposed.

5 Q. Thank you. And so in either case, Sprint
6 has two alternatives. It can either pay the dispute,
7 even if it's in good faith into the escrow or it can
8 pay AT&T; is that correct?

9 A. If it's a good faith dispute and does not
10 fall under the proposed parameters, that would be
11 correct.

12 Q. And would you agree that under AT&T's
13 language if -- and again, it's presuming that it
14 doesn't meet the exceptions, if Sprint does not
15 deposit the disputed amount into escrow, even if it's
16 a good faith dispute, then AT&T could -- may refuse
17 to process new orders or suspend pending orders?

18 A. That would be a possibility subject to the
19 terms and conditions in the agreement.

20 Q. And specifically, do you have the proposed
21 contract language in front of you?

22 A. Yes, I do.

1 Q. Okay. And I would like to point you to
2 Section 11.5.4.

3 A. I have that language.

4 Q. Okay. Okay. And I will say this is a
5 little bit of a convoluted section here, so kind of
6 bear with me, but I think what it says is that under
7 11.5 it says, "If the nonpaying party fails to" and
8 including 11.5.2. Do you see that? And this is the
9 underlined, bold, and you understand that's AT&T's
10 language?

11 A. Sure.

12 Q. Okay. And it says -- 11.5.2, it says,
13 "Deposit the disputed portion into an interest
14 bearing escrow account" Do you see that section?

15 A. I do.

16 Q. And I apologize, because I am going to have
17 to jump down just because of the way this is
18 structured, but it says in 11.4 -- it says the
19 billing -- and I am reading 11.4, The billing party
20 may in addition to exercising any other rights -- and
21 keep going on, and then it goes down to 11.5.4.1,
22 suspend acceptance of application of requested orders

1 from the nonpaying party. Is that the language that
2 you were referring to earlier?

3 A. Referring to earlier when I said subject to
4 terms and conditions within the agreement if the good
5 faith dispute did not meet those parameters.

6 Q. Yes, that you could suspend orders?

7 A. Well, again, subject to these terms and
8 conditions, if we back up, of course, it talks about
9 when the discontinuance notice could potentially be
10 sent, and again, the parameters within the language
11 provide for the earliest possible day a
12 discontinuance notice could be sent. That's not
13 necessarily to say it would happen at that time,
14 because that's really -- you know, our language
15 certainly is going to provide the parameters by which
16 we can operate.

17 Our operational group, the billing and
18 operations center would actually be the one that
19 sends that discontinuance notice when it sees a past
20 due amount, and if it was in an agreement that had
21 the escrow provisions, obviously a past due amount
22 that didn't fall into our proposed parameters.

1 Q. Well, you would agree with me the language
2 gives AT&T the discretion on whether to take those
3 next steps, yes or no?

4 A. Per the terms and conditions, we have that
5 discretion.

6 Q. Okay. And you understand that Sprint
7 doesn't want or see the need for any escrow
8 provisions; is that correct?

9 A. That's my understanding.

10 Q. Okay. Regardless of the exceptions that
11 are included, correct?

12 A. That's my understanding.

13 Q. And given the fact that the parties
14 disagree on the need for an escrow provision at all,
15 even if there was an escrow provision, could you see
16 disputes arising as to whether a carrier needed to
17 escrow disputes?

18 A. The potential for disputes to arise over
19 any billing matter or even any interconnection
20 agreement matter from an interpretive standpoint are
21 always there. That's why, again, it's so important
22 to have comprehensive, complete language that could

1 address any scenario or at least attempt to do so.

2 Q. But I just want to be clear about this. We
3 have already talked about how there is already
4 frequent disputes with respect to bills that AT&T
5 sends to other carriers, correct?

6 A. Subject to the definition of frequent,
7 that's correct.

8 Q. And in addition, AT&T is proposing language
9 that says -- and if you have a dispute that's not
10 subject to the exceptions, you need to put that money
11 into escrow, correct?

12 A. Correct.

13 Q. Okay. And couldn't you see disputes then
14 arising out of that? So, in effect, you have a
15 dispute on top of a dispute?

16 A. Well, I would grant there could be disputes
17 about whether or not the billed amount that's past
18 due falls under the parameters, certainly.

19 Q. Are you familiar with the dispute between
20 AT&T and InfoTelecom?

21 A. Not directly, no.

22 Q. Are you generally aware of that dispute?

1 A. I'm not aware of any of the specifics in
2 the dispute. I am aware of InfoTelecom as a carrier,
3 but I'm not aware of the nature of the dispute that
4 you are talking about.

5 Q. Okay. Are you aware that that dispute
6 involved whether or not InfoTelecom needed to put
7 disputed amounts into escrow?

8 A. I'm not directly aware of that.

9 Q. Does Sprint's current agreement require
10 that disputed amounts be escrowed?

11 A. I don't believe so.

12 Q. And when you describe the losses that AT&T
13 is attempting to prevent by using escrow, you
14 basically use the same losses that you cite in your
15 rationale for the deposit language; is that right?

16 A. That's correct. Those figures were derived
17 from uncollectible, written-off amounts from
18 wholesale accounts, basically for services that have
19 been provided under interconnection agreements from
20 AT&T.

21 Q. And you indicated in your testimony you
22 believe these provisions are complimentary; is that

1 correct?

2 A. Yes. I believe they are complimentary.

3 They are certainly -- yeah, AT&T's position is it is
4 not an either/or scenario. Both escrow and deposit
5 have roles within assurance of payment. Deposit
6 obviously a more broader role that addresses a
7 carrier's overall creditworthiness, their ability to
8 pay all bills. As Mr. Pfaff is pointing out, the
9 escrow obviously is very specific to a particular
10 billing dispute.

11 Q. Thanks for that response. It's actually
12 Mr. Pfaff.

13 A. Sorry. I will try not to do that again.

14 Q. But the point of the deposit language was
15 that AT&T gets paid, for example, if a carrier
16 declares bankruptcy, correct?

17 A. That would be one of the scenarios, yes.

18 Q. And the reason you feel that disputes need
19 to be escrowed is you want to get paid if a carrier
20 declares a bankruptcy; is that right?

21 A. Well, as I said, I don't think you can
22 necessarily tie the rationale between getting paid

1 due to a bankruptcy directly to escrow. I'm not
2 going to say that the carrier ending up in a
3 situation where they have to file bankruptcy wasn't
4 the result of billing disputes that were resolved in
5 favor of AT&T, but I'm not prepared to just make that
6 direct correlation that I think you were trying to
7 make.

8 Q. You indicate that there are -- and I'm
9 sorry. I think I said that there were four
10 exceptions to the escrow provision?

11 A. Three.

12 Q. I misspoke. There are only three, are
13 there?

14 A. That is correct.

15 Q. Okay. And I want to talk about the third
16 one that you indicate is because of a clerical or
17 arithmetic error; is that correct?

18 A. I know that's one of the three. I just
19 want to make sure that's the third one. Okay. Yes,
20 I agree.

21 Q. Okay. And what if the parties have an
22 interpretation dispute? Is that a clerical or

1 arithmetic error?

2 A. I would say, no. I am interpretation
3 dispute can cover a wide gamut of potential billing
4 disputes or have disputes on other provisions in the
5 agreement.

6 Q. Okay. And so there is no exception for an
7 interpretation dispute; is that correct?

8 A. That would be correct. As I am
9 understanding interpretation dispute to be made. The
10 exception with respect to the clerical error was
11 truly to address an issue where a rate was loaded
12 incorrectly, or a charge was not negated properly, or
13 there was a calculation error with respect to minutes
14 of use or the number of circuits or when a circuit
15 was disconnected, those types of things. I think
16 when you say interpretation error, there may be
17 something at issue with respect to what the billed
18 rate should be, rather than there being a clerical
19 error in our rate tables.

20 Q. And under AT&T's proposed language, which
21 party decides the validity of a clerical or
22 arithmetic?

1 A. Well, AT&T.

2 Q. And so that under Section 10.8.1.3.2, even
3 if the billing party agrees that there is an error,
4 it can still require that the amount be escrowed; is
5 that correct?

6 A. Yes. Per that language, that's correct. I
7 guess I would submit not to initiate it where you
8 could have other disputes, but if there was truly
9 still a dispute in hand after AT&T had done its
10 investigation, obviously you have informal dispute
11 resolution recourse. You have formal dispute
12 resolution recourse before this Commission. Again,
13 the magnitude of what that billing error would be
14 obviously would depend on case-on-case basis.

15 Q. Are you aware of any carriers that have
16 opted into Sprint's agreement because it currently
17 does not have an escrow provision?

18 A. I would have no idea if that was -- if
19 there are carriers that have opted in, whether or not
20 that was one of their rationale for doing so.

21 Q. And it's correct again to say in your
22 testimony, you didn't refer to any carrier that has

1 adopted into a Sprint PCS agreement; is that correct?

2 A. To the best of my knowledge, no.

3 Q. Well, I'm sorry. It's not the best of your
4 knowledge.

5 A. That is correct.

6 Q. And just so we are clear on the question
7 and the answer, you did not indicate in your
8 testimony that any carrier had opted into the Sprint
9 PCS agreement; is that correct?

10 MR. FRIEDMAN: Objection. I took a pass on
11 making the asked and answered objection the first
12 time, because you asked this and got an answer about
13 ten minutes ago, but now I'm going to make the
14 objection.

15 JUDGE HAYNES: Just answer the question.

16 BY THE WITNESS:

17 A. I do not recall placing that in my
18 testimony. If we want to sit here and re-read 85
19 pages or whatever it is, I can do so, but I believe
20 Sprint counsel. I won't err on mispronouncing your
21 name is correct, that I do not recall citing that
22 fact in my testimony. Is that sufficient?

1 BY MR. PFAFF:

2 Q. With respect to the billing dispute form,
3 do you know if Sprint has been using AT&T's form to
4 date?

5 A. To my knowledge, they have not been using
6 AT&T's form.

7 Q. And you indicate in your testimony -- and
8 this is in your direct on Line 1412 -- starting on
9 1412 through 1414, and you are basically just citing
10 Sprint's position. It claims it should be permitted
11 to use its own form because Sprint asserts it would
12 be costly for Sprint to modify its internal
13 processes. Do you see that?

14 A. I do see that.

15 Q. Okay. And so would you agree that Sprint
16 has been filing disputes with AT&T?

17 A. Yes.

18 Q. And so despite the fact that we have not
19 been using the AT&T form, those disputes have been
20 filed and have been worked in the normal course;
21 wouldn't you agree?

22 A. I would agree with that. The existing

1 Sprint agreement doesn't call for the use of AT&T's
2 form.

3 Q. And basically your argument is that by
4 Sprint not using AT&T's form it imposes costs on
5 AT&T; is that correct?

6 A. That's a fair assessment.

7 Q. And wouldn't you agree that if Sprint
8 needed to modify its processing to start using AT&T's
9 forms Sprint would likely incur a cost; is that
10 correct?

11 A. I don't know what Sprint's costs would be,
12 but I'm assuming from your inference there it would
13 be some expense in changing the process.

14 Q. The parties have a dispute about whether
15 the definition of non-paying parties should include
16 the term "undisputed" within the definition; is that
17 correct?

18 A. Yes.

19 Q. And the defined term that we are talking
20 about is in Section 2.77, and do you have that in
21 front of you?

22 A. Yes, I do.

1 Q. And are you there?

2 A. I am in here, yeah. Go ahead with your
3 question. My copy may -- I may need to see your
4 copy, but you cited 2.67?

5 Q. 2.77. It's the definition of non-paying
6 party.

7 A. Okay. I am with you.

8 Q. And AT&T wants that definition to mean a
9 party that has not made payments by the bill due date
10 of all amounts within the bill rendered by the
11 billing party, correct?

12 A. That's correct, because it works in the
13 context of other language that's agreed upon and
14 through the negotiations.

15 Q. And am I correct then in AT&T's view that
16 Sprint would be considered a non-paying party if it
17 paid undisputed amounts but did not pay disputed
18 amounts?

19 A. By that definition, yes, but I would note
20 there are definitions for disputing party and
21 disputed amounts.

22 Q. And it's your testimony that it's okay to

1 make Sprint a non-paying party even if it had paid
2 undisputed amounts; isn't that that right? I'm going
3 to strike that question.

4 Okay. You do say -- and you don't
5 claim that Sprint is in the habit of filing non-good
6 faith disputes, correct?

7 A. No, I don't claim that.

8 Q. And, in fact, in your direct testimony on
9 Lines 906 to 90 -- I'm sorry -- direct testimony
10 lines 906 to 907 you say in there, "I do not mean to
11 suggest that Sprint would engage in such
12 machinations." And I'm sorry. It's on Page 35?

13 A. I found it, yes.

14 Q. And I, first of all, commend you on that
15 word, "machinations?"

16 A. I couldn't say Pfaff right, though.

17 Q. I actually had to look it up to make sure I
18 could pronounce it correctly.

19 And your point is that you are talking
20 about other carriers who file disputes just to avoid
21 paying their bills, correct?

22 A. That's the general premise around that,

1 yes.

2 Q. And what you mean to say by "Sprint is not
3 engaging in such machinations" is that you don't
4 believe Sprint files disputes just to avoid paying
5 its bills; is that correct?

6 A. That's a fair assessment, yes.

7 Q. You claim on Line 671 and 673 of your
8 direct that the reason that you need the word
9 "undisputed" is it only works properly when it's
10 included in the definition of nonpaying party; is
11 that right?

12 A. That's correct.

13 Q. And you point to Section 11.3 in the
14 general terms and conditions as one instance where it
15 doesn't work properly; is that right?

16 A. That's correct.

17 Q. And did you read -- see, this is where I am
18 not going to pronounce his name right -- Dr. Omoniyi?

19 MS. ERICSON: Omoniyi.

20 BY MR. PFAFF:

21 Q. Thank you. Dr. Omoniyi pointed out that
22 it's relatively easy to fix Section 11.3 by simply

1 changing non-paying party to billed party; is that
2 right? Did you read that in his testimony?

3 A. I have reviewed his testimony. I have not
4 reviewed it recently. So I will accept that subject
5 to check.

6 Q. And so other than that section, can you
7 point to any other section that doesn't work
8 correctly by not including -- or by not including
9 Sprint's undisputed amounts into the definition of
10 nonpaying party?

11 A. That was the central example. I will have
12 to look at the language again. AT&T's overall
13 position is simply that we have language that covers
14 the way billed amounts would be disputed once they
15 are past due, and to make that properly work in the
16 context of both the disputed language and the -- that
17 we are proposing as well as some of the agreed upon
18 language, you really need a definition of non-paying
19 party that addresses all unpaid amounts, because we
20 have separate definitions that address how bills are
21 disputed, what the parties are called that -- when
22 they are filing such a dispute.

1 Q. But it's not your claim by attempting to
2 keep out the phrase "unpaid charges" that Sprint
3 should not be allowed to file good faith disputes, is
4 it?

5 A. No.

6 MR. PFAFF: Okay. I don't have anything
7 further.

8 JUDGE HAYNES: Thank you. Does Staff have
9 cross?

10 CROSS-EXAMINATION

11 BY MS. SWAN:

12 Q. Yes. We don't have very much. We have a
13 little bit of cross.

14 Good evening, Mr. Greenlaw. I am
15 Kimberly Swan. I represent Staff for the Illinois
16 Commerce Commission. If you could turn to Page 5 of
17 your direct testimony. Do you see that?

18 A. Yeah, I am on Page 5.

19 Q. Okay. On Line 140 you state, "Sprint's
20 financial condition and thus Sprint's
21 creditworthiness could change." Do you see that?

22 A. Yes, I do.

1 Q. So what makes you say that Sprint's
2 financial condition and its creditworthiness could
3 change?

4 A. I am going to try to answer this two ways.
5 In fact, there was a Staff data request, I believe,
6 related to Sprint's financial condition, and there
7 were figures that were addressed in testimony, I
8 believe, and also in Sprint rebuttal discussing the
9 fact that Sprint has posted quarterly losses, but
10 when I made that statement in my direct testimony
11 that was more of an effort to not create any
12 absolutes, not just with Sprint, but with any
13 carrier.

14 It's hard to put a stake in the ground
15 and base an assessment with respect to
16 creditworthiness on a date certain when we don't know
17 what could occur. We don't know what's internally
18 going on within that company that has not been
19 released to the public yet. So that was really the
20 intent behind that type of statement, if that helps
21 answer the question.

22 Q. It does. Thank you. So you want to avoid

1 any absolutes as to creditworthiness on -- and to any
2 particular company on any date certain; is that
3 correct?

4 A. That's correct.

5 Q. Okay. So do you believe it's impossible
6 for AT&T Illinois' financial condition and its
7 creditworthiness to change from what it is on this
8 date certain or any date certain?

9 A. I suppose nothing is impossible. I believe
10 it's unlikely, but nothing is impossible.

11 Q. So it is possible?

12 A. So we are not here all night, I will say it
13 is possible.

14 Q. Thank you. And do you believe it's
15 possible for AT&T, Inc.'s financial condition and
16 thus, its creditworthiness to change from what it is
17 currently?

18 A. To carry back to our previous conversation,
19 it is possible. I would submit if we have -- if we
20 have comprehensive deposit terms and conditions,
21 whether it's possible or not, those kinds of
22 circumstances would be properly addressed.

1 Q. So just tying this back to -- AT&T's
2 preference is that if it's possible that there be --
3 there could be a change in creditworthiness or a
4 financial condition of a company, that there would be
5 a deposit to safeguard against that financial risk;
6 is that correct?

7 A. That's a fair assessment.

8 Q. So supposing that Sprint has a similar
9 position based -- for deposits protecting against
10 financial risk, is there a reason that you think that
11 AT&T should not be subject to a deposit to give
12 Sprint that protection?

13 A. Again, I will try not to make too long of
14 an answer. I do think that, because as I put forth
15 in my testimony, AT&T is not similarly situated as
16 Sprint in this agreement. However, I will say, the
17 lesser of two evils, for lack of a better
18 description -- if AT&T was forced to choose between
19 having language that's reciprocal in nature with
20 respect to deposit and being able to still have
21 comprehensive, complete deposit terms and conditions,
22 that would be more acceptable; such as, you know,

1 it's been referenced in, I think, almost everybody's
2 testimony here, the Docket 04-0469. Obviously, AT&T
3 still feels as if the optimum position and the fair
4 position is that since we aren't similarly situated
5 we would not be subject to a deposit; more so because
6 of our exposure with other carriers, but as I said,
7 if we were forced with a choice, we would accept
8 reciprocity if we received the other proposed terms
9 and conditions that we are putting forth in this
10 arbitration.

11 Q. And even though you are not similarly
12 situated to Sprint, given that Sprint might have
13 more -- well, let's scratch that and I'll start over.

14 So if you are not -- even though you
15 are not similarly situated and AT&T might have more
16 to lose, Sprint has the potential to lose something
17 and might want a deposit; is that -- would you say
18 that is correct?

19 A. From my read of Sprint's testimony, that's
20 correct.

21 MS. SWAN: Thank you. That's all my questions.

22 JUDGE HAYNES: Redirect?

1 MR. FRIEDMAN: If we may have just a moment and
2 we don't need a break to confer.

3 AT&T Illinois does have one or two
4 questions on redirect.

5 JUDGE HAYNES: Okay.

6 REDIRECT EXAMINATION

7 BY MR. FRIEDMAN:

8 Q. Mr. Greenlaw, you know, Mr. Pfaff a couple
9 of times made the point with you that AT&T Illinois'
10 proposed escrow language does not have an exception
11 for good faith disputes. Do you recall that?

12 A. That's correct. Although, and he qualified
13 it with respect to it not meeting a number of
14 parameters that we include to exempt them from
15 escrow.

16 Q. Let's imagine that we add contract language
17 that says that if there is a disputed amount the
18 amount must be placed in escrow subject to the
19 following exceptions and one of those exceptions was,
20 except if it's a good faith dispute, okay?

21 A. Okay.

22 Q. Can you -- how could that work? In the

1 real world who would decide and when would they
2 decide and how could they decide whether or not an
3 escrow was required?

4 A. I guess it would depend on how good faith
5 dispute could be defined, but good faith dispute is
6 certainly, I think, a topic that would probably fall
7 into an interpretive dispute.

8 Q. Well, let me make it a little more
9 specific. Let's just say, exceptions, good faith
10 disputes. Now, the billed party makes a dispute,
11 right?

12 A. Yes.

13 Q. How often do you think the billed party
14 would take the position that its dispute is a good
15 faith dispute?

16 A. Close to 100 percent.

17 Q. Probably 100, right? And at the moment
18 that the dispute is made -- I will leave it at that.
19 No further questions.

20 JUDGE HAYNES: Do you have any further
21 questions?

22 MR. PFAFF: Nothing further. Thank you.

1 JUDGE HAYNES: Thank you. Thank you,
2 Mr. Greenlaw.

3 JUDGE HAYNES: So is there -- it doesn't appear
4 to be time to do someone else. What is everybody's
5 preference, because I understand we have to end at
6 6:00.

7 MS. SWAN: Yes. The phone line will be shut
8 down at 6:00.

9 JUDGE HAYNES: So tomorrow morning then.

10 MR. FRIEDMAN: Can we just take this
11 opportunity, because obviously we didn't get through
12 all the AT&T Illinois witnesses today or yet, even
13 though we started with one yesterday, and tomorrow we
14 have got four staff witnesses. Can I get an
15 estimate, because, your Honor, they have flights to
16 leave sometime tomorrow. Can I get an estimate of
17 how much time the parties have for those two --

18 JUDGE HAYNES: Should we go off the record to
19 have this discussion?

20 MR. FRIEDMAN: That's fine.

21 JUDGE HAYNES: Off the record.

22 (END OF PROCEEDINGS.)